

# SALES man- age- ment

THE MAGAZINE OF  
MODERN MARKETING

FEBRUARY 1, 1935

TWENTY CENTS

FEB 1 1935

## KOOL cigarettes



The R. C. Maxwell Co.

**SKIIS IN THE SKY:** Kool's famous penguins first appear as specks on this 41 x 60 foot sign above Atlantic City's boardwalk. They grow larger and swoop off gracefully as one bird in topper puffs away. Designer, BBDO; builder, R. C. Maxwell Co.



**UP:** H. W. Sweatt, former v-p, is Minneapolis-Honeywell Regulator's new president. He, son of one of the firm's founders, succeeds M. C. Honeywell, now executive committee chairman.



**PK's PUBLICITY:** Though snow now blankets the Wrigley Field diamond, P. K. Wrigley (left), owner of the Chicago Cubs, invokes advertising's artful aid to fill the bleachers next Spring. Charlie Grimm, Cub manager, right, strides a mountain goat at the Catalina Island training quarters. See page 129



**TALKING CAN:** General Foods brags that the improved Calumet baking powder can speaks right out loud on grocers' shelves. It opens, closes easily; a paper inner seal keeps contents airtight, and when cut on a dotted line provides a handy leveling edge. The redesigned label, red and white, stands out even at a distance.





*To the first printers, ink making day was a holiday celebrated as a picnic held around the boiling oil pot.*

*It took the art  
of the painters  
VAN EYCK  
to make this page  
legible*

THE TYPE on this page is easy to read today because 500 and more years ago the Court of the Prince of Burgundy was fabulously lavish in its display of jewels and furs, velvets and precious metals.

To the painter Hubert Van Eyck, this display was a challenge to find colors capable of reproducing the splendor of what he saw on canvas.

Calling on his young brother Jan, who was also a painter, he began his search for such colors, and after years of experiment discovered a method of preparing linseed oil to serve as a foundation for paint. This discovery became the basic formula from which were evolved both oil paints and printing inks.

Since the Van Eycks' discovery preceded movable type by at least four years, it can be placed as the first step in that series of inventions which have made modern printing possible.... And which have reached their newest phase in Kleerfect—The Perfect Printing Paper.

To the strength and opacity, essential to any printing paper, Kleerfect adds two new qualities:

Freedom, for all practical purposes, from two-sidedness of color and surface; thus insuring printing of equally high quality on both sides.

Improved color that eliminates glare, gives effective contrast with the greatest number of printing inks and types of illustrations and permits the maximum true reproductive power of one to four printed colors.

Before you produce your next mailing, see samples of the better work Kleerfect makes possible. A request to our advertising department in Chicago will bring them to you and the name of the merchant nearest you who stocks Kleerfect.

**Kleerfect**  
REG. U. S. PAT. OFF.  
THE PERFECT PRINTING PAPER  
MANUFACTURED UNDER U. S. PAT. NO. 1718093

**KIMBERLY-CLARK CORPORATION**

Established 1872 • NEENAH, WISCONSIN

CHICAGO, 8 South Michigan Avenue • NEW YORK, 122 East 42nd Street

LOS ANGELES, 510 West Sixth Street



# "MEMPHIS" . . . says Babson . . . "has the best outlook for 1935"



## Roger Babson Says:

"Business in Memphis in the early months of next year should register a very good gain over the first half of 1934. The outlook for Memphis is considerably better than the average for the entire country. . . . Building in Memphis has improved about 25% in recent months and this trend should be emphasized in 1935."

Take a look at your marketing map of Memphis . . . Babson's best market for 1935. Note the scores of towns in addition to the sub-cities shown on the map above. All busier and with more money to spend now than in the last 5 years. Bank clearings, retail sales, have been consistently on the up for 2 years. Christmas business in many instances exceeded 1929 tops.

This favored spot is the south's first market in trading population . . . 2,179,474. And has a newspaper as great as the market . . . the Commercial Appeal, the largest daily circulation south. The only advertising medium that completely covers this great community of buyers at the one cost. The newspaper first in any classification of sales power in city or market. You could not introduce your product to this welcoming market at a more opportune time. And you won't find a more intelligent or aggressive merchandising cooperation awaiting you anywhere.

JAMES HAMMOND,  
Publisher

## THE COMMERCIAL APPEAL

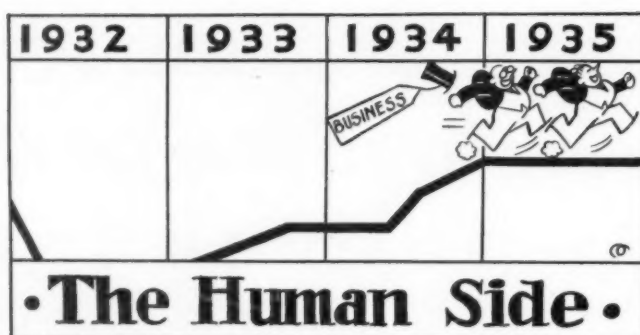
NATIONAL REPRESENTATIVE: THE BRANHAM CO.  
New York Chicago Dallas Detroit Atlanta St. Louis  
Kansas City San Francisco Los Angeles

**LARGEST DAILY CIRCULATION IN THE SOUTH**

FEBRUARY 1, 1935

[113]





### Good Gaudy!

Solomon in all his glory was not arrayed like one of these well-dressed gents will be this year. We have it direct from Raymond Twyeffort, chairman of the styles committee of the Merchant Tailors Association.

Solomon had only his colors. We have colors, too, in 1935; plenty of them—modern plaids, Gulf Stream blue, Quaker grey and whatnot, for both formal and informal wear, but Solomon had no streamlining and air-conditioning. We have both. And we are going to put them right into our clothes. Take Mr. Twyeffort's word for that, too. In this he is backed up by P. B. Juster, of Minneapolis, chairman of the national style committee of the National Association of Clothiers and Furriers, which recently met in Chicago. The average man, he explained, during depression years wears dull and sombre clothes and sticks to them until they acquire a high shine. Now manufacturers are preparing for a season of glad rags. Rougher fabrics, tweeds, chevots, home-spuns, quite gay in comparison with recent years—are being turned out by the makers.

The tailors and the clothing makers are taking patterns from modern industry. We have airflow automobiles; so we shall have airflow lapels. We have streamline railroad trains; so we shall have streamline stripes. Air-conditioned restaurants and theatres and stores—even hotels—will lead us to more air-conditioned shoes and hats and suits than the country has ever seen.

But the colors: Men are tired of black—good and tired of it. They are breaking out right now with the peacock tendencies that Lowell Thomas admits he enjoys. They don't have to be rich men this year to possess low-cost dinner jackets to suit every mood. Not just one or two blacks: seven or eight maroons, purples, greens, wines and whatnot. Max Baer has already begun appearing publicly in a dinner jacket of orange pastel with velvet facings, a black shirt, a tropical sunset tie—oh well, those with Latin temperaments and good Florida tans are having their day.

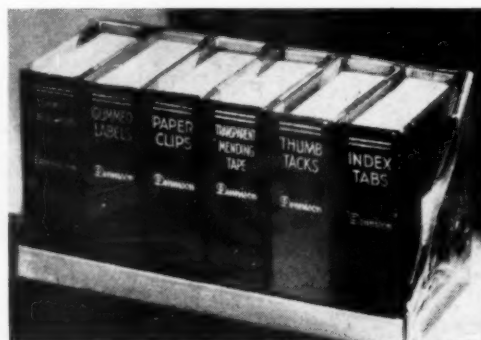
### Handy Library

By the simple process of turning its time-honored 10-cent boxes of gummed labels, paper clips, transparent mending tape, thumb tacks and other stationery "notions" on end, putting "book covers" around them, and selling them in "sets" of six and a dozen, Dennison Manufacturing Company, Framingham, Massachusetts, has given substantial Christmas presents, in the form of increased business, to a lot of stationery and department stores.

One department store we heard about sold 800 dozen of them in its stationery department at Christmas time.

The sets retail at six for 50 cents, 12 for \$1. The name "Dennison" appears very clearly as the "author" of each "volume."

G. Lynn Sumner Company, Dennison's advertising agency, had a hand in it.



Dennison writes some "books."

### "Know New York"

Lowell Thomas is at the microphone. He is finishing his new broadcast. Bob and Nell Randolph and their young daughter Dorothy are listening expectantly in Los Angeles. Jack and Helen Harper, at home in Chicago, and Fred and Ruth Allen, in Pittsburgh, are listening just as expectantly. Ending his talk, Lowell Thomas smiles, looks at three letters in his hand, and, addressing each family separately, through the microphone says: "I shall be very happy to be your guide on your long-planned trip to New York. We'll not only see the Big Town together; but, when the tour is over, we shall *know New York!*"

According to the plot of "Know New York," a talking picture, Bob and Nell and Jack and Helen and Fred and Ruth went to high school together in some hinterland town. All six of them are married. They have planned a reunion together in New York. The plot, unfolding, tells what happens to them there.

The film, which will run two hours, is being produced by Onto New York, Inc., of 580 Fifth Avenue, New York City. Chief factors in that company are Delmar W. Beman, also an executive of the Federal Better Housing Exposition, soon to be held in New York; and Paul Meyer, long publisher of the Theatre Magazine and recently vice-president of World Broadcasting System. Mr. Thomas is the director and commentator; Lorenzo del Riccio production director, and Charles Conger Stewart the script director.

To be completed in March, the film will tour more than 200 cities in 30 States, beginning April 1. It will be shown, Mr. Beman says, to a minimum of 200,000 people in the succeeding 54 weeks. Local showings will be sponsored by universities, chambers of commerce, and other institutions and groups. Not only will admission be free, but each attendee will be given an illustrated book of the continuity in story form.

The production and the entire program is being paid for by advertisers, most of whom have headquarters in New York—stores, railroads, hotels, manufacturers, etc. As the camera and Mr. Thomas' spoken comments follow the reunited six and the daughter of two of them on their exploration toward and through the city, there are, of course, "pauses." It is by no means accidental that the camera will pause for a long shot of a certain railroad train, racing Eastward across the Jersey Meadows, or that Mr. Thomas will be heard commenting on a nationally known hotel as the automobile from the airport brings the Randolphs to the hotel in which they will make their home while in the metropolis. Advertisers are paying for it. Twenty-eight advertisers already have signed for it. To have 30 seconds of the continuity, with effective shots and remarks about your product or place of business, costs \$1,300. Sixty seconds cost \$1,500; two minutes \$2,000; three minutes \$2,500; five minutes \$3,000.

Even flashes are worked out promotionally. An "exterior flash" costs \$300; a "merchandise flash" \$700.

All this is done, Mr. Beman emphasizes, without interfering with the flow of the story. Manifestly, a camera following seven people around New York wherever they go cannot avoid revealing signs, products, and places of business.

"Know New York" is being worked out so that the identities shown are the identities of those who are paying for this service, and that the emphasis given each identity is in proportion to the amount paid.

The three couples are of somewhat different income strata, so they travel to New York by different means, stop at different types of hotels, and shop at different stores. All of them, presumably are equally interested in Radio City, the Empire State Building, Broadway, Fifth Avenue, and Brooklyn Bridge. But even in short jumps from one place to another, camera and commentator use promotional discretion.

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# the MORTONS are up on their *Current Events*



The Mortons have been electrified these many years. They have irons and curlers, refrigerators and toasters, heaters in winter, fans in summer and so on. This "outlet consciousness" makes them good customers for new equipment and replacements. Which brings us to the point: The Mortons are only one of the hundreds of thousands of modern families who read the Chicago American every night.

No other paper in Chicago controls so many young, progressive families as the American. For the most part, its circulation is made up of men and women in their 30s and 40s—the age groups that, economists say, are earning the bulk of America's income. Experience should tell you that

such people are The Leading Americans in today's consumer market.

You can be certain that what was good enough for their fathers and mothers is NOT good enough for them. As modern young people, they value convenience and comfort highly, and are willing to pay for them. But, by the same token, they're much too smart to guess about anything. So it's up to you, Mr. Advertiser, to keep them up-to-date on current events.

If you're seeking the most profitable outlet for your appliances, advertise to the Mortons and the largest active circulation in Chicago! Then watch your sales rise!

## CHICAGO AMERICAN

... more Buying Power to you

NATIONAL REPRESENTATIVES: Rodney E. Boone Organization

FEBRUARY 1, 1935

[115]



# SALES management

Vol. XXXVI. No. 3

February 1, 1935

## CONTENTS

### Advertising

- Exit Pinaud's Barber: Products Go Feminine in Sales Appeal ..... 139
- Good for Chewing Gum, Good for Baseball: PK Advertises Cubs ..... 129
- It's Surprising, Mr. Hovey, How This Discussion Goes On and On! ..... 148
- By Felix L. Lippman, Keller, Heumann-Thompson, Rochester, New York*
- Major Advertising Gained 24% in '34 ..... 158
- New Regulations Promote Truth in Liquor Advertising ..... 132
- When the Sales Manager Has the Itch to Use a Blue Pencil ..... 144
- By T. Harry Thompson, Copy Supervisor, N. W. Ayer & Son, Philadelphia, Pennsylvania*

### General

- Chains Gain Over Independents During Depression Years ..... 156
- Significant Trends ..... 119

### Markets

- Industrial Sections Show Greatest Improvement, Led by Cleveland ..... 127
- By Jules Backman and A. L. Jackson, Editors of Economics Statistics, Inc., New York*
- SM's Sectional Index of General Business ..... 162

### News

- Food and Drug Bills, NRA and FTC Lead News in Washington ..... 131

### Hiring Salesmen

- Man Wanted! ..... 130
- By Nelson S. Bond*

### Sales Campaigns

- Farm Papers and Spot Radio Reach Farmers for Mantle Lamp ..... 138
- Based on an interview by Lester B. Colby with Bert S. Presba, Vice-President, Mantle Lamp Company of America, Inc., Chicago.*
- Goodwin Sets Forth to Conquer 12,000,000 "Anchored Market" ..... 122
- By Lawrence M. Hughes*
- Philco Sales Top Record with Revamped Advertising Policy ..... 133
- Phillips Introduces 5-Cent Soups in Aggressive New York Campaign ..... 141
- Reporter Finds Hotpoint's New Show Hot Stuff... 135

### Salesmanship

- Some Simple Rules for Putting Punch Into Store Demonstrations ..... 125
- By John K. Crippen, Manager, Direct-Mail Department, L. B. Allen Company, Chicago*
- When Politics and the Weather Beat Salesmen Out of Orders ..... 124
- By W. M. Day*

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A taxicab, with two of our characters, leaves, for example, Grand Central Station or the Biltmore Hotel, moves west one block, swings suddenly into the chaos of Fifth Avenue. To be sure, no advertiser can be discerned very clearly in this mad rush of vehicles and wheels and people. But there's a reason even for the Fifth Avenue rush. The passengers note a card in front of them which says that the company's drivers are bonded, thus adding to the safety of New York.

The potential number of advertisers in this two-hour film, Mr. Beman says, is from 250 to 300. The film is also a merchandising medium. In addition to attracting a minimum circulation of 200,000 people, nearly all of whom, it is assumed, intend to "Know New York," there will be distributed the book about it. The book, of course, contains the names of all the advertisers in the picture. Advertisers also will receive weekly the names and addresses of all the people who attended the showing in that week. Distribution will be from coast to coast, mainly in cities of 50,000 to 150,000 population. About 40 of these cities, it is said, already have signed.

An important institution, as far as little Dorothy is concerned, will be an automatic restaurant. She will drink vast quantities of milk, just for the pleasure of inserting the nickels and turning the crank.

Advertisers and sponsors are expecting to find the camera pauses financially refreshing.

### "Ty-Eze" Man

John L. Hurlburt was in with his cravat sample case the other day. Business had been a bit better than usual (he had sold four cravats right on the spot) and he had time to sit down and tell us a bit about himself.

Probably he was glad to sit down. When one is 60, and is still recovering from 15 long months in the hospital, trying to mend broken hips, it is good to rest . . . when one can.

Mr. Hurlburt makes his cravats himself, by hand, in his room at 237 West 107th Street, New York. Then he goes out and sells his day's output. They are good cravats, and he gets a dollar apiece for them. But his volume is seldom more than twelve a day. Not more than half of the \$12 is net profit. And there are days when the hips won't let him work at all.

The best thing about the cravats (and we speak as a satisfied customer) is what he calls "Ty-Eze." He has applied for a patent on it. The cravats are made in two parts. The knot of each (it is carefully adjusted to begin with) is never untied. The spreading ends are sewed to the knot. The part which goes around the neck is separate. On each end of it is a thin piece of bone. You slide the ends through the back of the knot and deposit them in a hidden compartment in the back of the cravat. . . . No sliding, no shifting, after the cravat is set. It stays put and looks like a new tie—until, of course, you happen to spill something on it.

Before the depression started to alter a lot of careers, John L. Hurlburt was making good money as the head of a removable blade scissors-and-shears-business. He held a patent on that process. But as people, of necessity, became less fussy about the condition of their scissors, he had to close up the business and do other things.

He got a job as a house-to-house salesman for Electrolux refrigerators, and made a living at it . . . until, one day in April, 1932, a hit-and-run motorist left him in the street.

In his more prosperous days, Mr. Hurlburt, like many another men, had been careful about the appearance of his cravats. The idea of a "Ty-Eze" cravat had come to him one hot night when he had ruined three of them through twisting.

Recuperating in the hospital, he set to work on the idea, and put it through the laboratory stages there, so to speak. He emerged from the hospital in July, 1933, without a nickel. The Government gave him enough compensation money to live on. Out of this he managed to buy ties and materials. He is making a living, without Uncle Sam's help, now.

Sometime—perhaps, before long—he hopes to find a backer. He could have assistants to help him then. He might even have machines.



# Significant Trends

As seen by the Editors of *Sales Management* for the fortnight ending February 1, 1935:

## Recovery Carries On

The first few weeks of the new year witnessed a decline in business activity to 8% below the December average. This is not depressing news, however, for the normal seasonal decline is 11.3%.

● ● ● Most industries are in a well-balanced statistical position at this time and should show a better than seasonal performance during the next month. The progress of the automobile and steel trades should be watched closely for any signs of irregularity.

● ● ● Both of those industries are making rapid progress. The adjusted index of automobile production is now higher than at any period since December, 1930, and stands at 101.4% of the 1927-1930 average. Nationwide steel production is estimated currently at more than 51% of capacity—which is approximately double the production rate of January a year ago.

● ● ● Colonel Ayres of the Cleveland Trust Company points out that the degree of recovery attained in 1935 will probably depend more directly on the volume of output of automobiles and on the amount of new residence construction than on any other factors in the field of industry. The automobile picture is good, for not only is production at a high rate, but stocks in the hands of dealers declined sharply during the last few months of 1934. New residence construction, however, is still fluctuating around the 10% level (100 is the 1923-1925 average). The dollar value spent on repair and modernization created directly by the Better Housing Program was estimated as \$224,325,299 as of January 12, and on that date there were 5,078 community better housing campaigns organized.

● ● ● An interesting index of business, which some observers consider more significant than any other, is the sale of machine tools, the theory being that manufacturers do not buy machine tools unless they feel sure that they will have sufficient orders to justify the added expense. So it is interesting to learn that the machine tool and forging machine industry reports that orders from domestic firms rose in December to the highest level since 1930. Apparently a beginning is being made not only in the replacement of a large amount of worn or obsolete equipment, but the outlook for profits has improved sufficiently to warrant plant expansion.

● ● ● The N.I.R.B. has announced a new policy regarding advertising allowances under the codes. Advertising, it holds, should be paid for directly and not under the guise of price reductions, discounts, bonuses or rebates. We predict that the observance of that code will give manufacturers who advertise through their retail dealers a better run for their money than they have had in the past.

● ● ● Another Washington group, the Industrial Advisory Board, has been investigating the results of 16 years of grade labeling in Canada. It finds that only one housewife out of eight buys on the strength of the labels

on cans or bottles, and that only two out of eight know that cans are labeled.

● ● ● The Drug Institute of America has filed a brief with NRA asking the continuation of the stop-loss provision of the Retail Drug Trade Code, in which they demonstrate that the stop-loss provision does not cost the consumer anything because articles "written up" to cover losses on the "bait merchandise" do not have to be written up so much now and have leveled off, while many manufacturers have reduced wholesale list prices under operation of the amendment, because of the natural efforts to attract retail support by offering a larger margin to retailers. The result, according to Drug Institute, has been an improvement in the retailers' gross (helpful to those asked to take on code wages and hours), and a reduction in price to the consumer.

● ● ● A nation-wide survey conducted by *Druggists' Circular* shows that the price stabilization plan in the industry is 92% effective—that only 8% of prices being charged by retail druggists are below the suggested minimums of the manufacturers.

● ● ● The appointment of the Boston Store, one of Chicago's largest Loop department stores, as a special agency for the sale of Nash and Lafayette automobiles brings the metropolitan store back into the automobile merchandise field for the first time in more than 15 years. The store will aid in the promotion of the cars by attaching posters to their trucks and delivery vans and by placing Nash and Lafayette sales literature in all parcels.

● ● ● To sum up the present outlook: The straws in the wind point to continuation of the present upward trend in general business at least until April.



The year opened auspiciously for the automobile makers. Plymouth, for example, broke its all-time record for weekly shipments during the week ending January 12, when it shipped 11,730 units to dealers in the United States. Sales during the first two weeks of the year jumped 171% over last year, and the company has backlog orders totaling nearly 100,000 cars.



## Bank Debits Show Big Gains

the total for the corresponding week last year, and for the week ending January 16 the gain was 23%. Every section of the country is above last year, with the Cleveland area showing the most extraordinary gains—49% over last year in the last fortnight.

● ● ● Other significant factual trends of the fortnight include: Department store post-holiday sales are considerably higher than last year and the Federal Reserve Board's index for December shows an increase of 3% more than the estimated seasonal amount; the commodity markets are suffering from a slight attack of the jitters as the Supreme Court studies the gold case, but average prices are 20% higher than a year ago at this time; freight car loadings started out the year at about the same level as last year; electric power production is up 10%.

● ● ● The Brookmire Economic Service estimates that business during the next six months will be 13% higher than last year, and thinks that the following states will be materially above national average: Maryland, Virginia, North Carolina, South Carolina, Florida, Alabama, Mississippi, Louisiana, Tennessee, Kentucky, Oklahoma, Michigan, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Arkansas, California, Oregon and Washington.

● ● ● Final construction figures for the 37 Eastern states, as compiled by the F. W. Dodge Corporation, show a gain of 23% over the previous year in contracts awarded. The year showed gains in each ten general classes of construction except factories and residential buildings, the loss in the former being 10% and in the latter less than 1%.

● ● ● According to reports compiled by *Restaurant Management*, restaurant and hotel operators increased their food business from 20% to 40% in 1934. The estimated percentage of meals eaten outside homes in various key cities are: Philadelphia, 16%; Chicago, 25%; San Francisco, 37%; Detroit, 23%; Milwaukee, 18%; Newark, New Jersey, 23%; New York, 46%; Washington, 28%. The smallest figure reported is Toledo, with 14%.

● ● ● Down in Arkansas, Harvey Couch, head of the Arkansas Power & Light Company, is going after 15,000 new customers in farm homes by embarking upon a program from the book of which even T.V.A. and the Brain Trust might lift a few leaves. He plans to extend rural power lines and to sell each home-owning family appliances on a monthly payment plan to spread over five years. The really interesting part of the plan is that those who desire such service will be offered an opportunity for employment in building the power lines, thus earning funds with which to make the first payment on wiring and appliances. Going still further, he is going to encourage the farm wife to add from 10 to 12 hens to her flock on the theory that they will produce enough eggs to pay the monthly electric bill. The company will assist in marketing not only eggs but chickens, butter and possibly other produce.

● ● ● Joseph B. Eastman, transportation coordinator, questioned 26,000 travelers about railroads and reports show that present high fares are in large measure responsible for unprofitable rail operations, since they have not only put rail travel out of the reach of most people, but in many instances are higher than the cost of travel by private autos.

Debits to individual accounts (representing approximately 90% of all business transactions) for the week ended January 9 gained 17% above

● ● ● The Eastman report not only recommends lower basic fares for all travelers, but urges the establishment of "quantity discounts from the standard charges, for families, parties, *traveling salesmen*, lodges, schools and similar groups."

● ● ● Detroit shows an extraordinary change over three years, two years, even a year ago. Employment as of December 31 was reported at the 1929 level, with total factory employment of 300,000. Employment experts predict that the total will equal the 1923 to 1925 average, considered the normal, by Spring. Automobile production for the first two weeks in January was the largest since 1929. Even the railroads are perking up. On January 6 the Michigan Central's Wolverine limited left Detroit for New York in five sections, so a *Collier's* observer reports. That hasn't happened since 1929. On the same day the Pennsylvania Red Arrow ran two sections to Washington. The B. & O. and Wabash trains likewise were jammed.

## Living Standards Increasing

The spread between the income and the necessary expenditures of the average man seems to be increasing. The cost

of living is up about 12.5% from the March, 1933, low point. Produced income has increased about 13% in the same period, but *total income*, which includes dividends, etc., has jumped about 28%.

● ● ● The current situation seems even better than indicated above, for the betterment was more pronounced in 1934 than in 1933. The cost of living rose only 4.5% during the last twelve months, but produced income gained 9.3% and total income 18%. It is true that some of the dividend payments were unearned, or represented payments made from surplus, and that some of the produced income was the direct result of government spendings on relief projects, but the essential point for today's realistic sales executives to bear in mind is that there is more money to spend, and, more money to spend on luxury and high-priced products.

● ● ● The Diamond Match Company will in the future distribute all of its net earnings to stockholders and employees. After preferred and common stockholders have received \$1.50 per share per year, any additional earnings will be distributed to preferred stockholders up to the maximum annual return of \$2 per share, with the balance divided between holders of the common stock and to labor steadily employed, but excluding management and salaried officers.

● ● ● Despite record-breaking 1934 sales in many lines of electrical appliances, the magazine *Electrical Merchandising* proves that the saturation point is far removed. Fifty-eight per cent of homes are without electric clocks; 52% have no cleaners, 94% no cookers, 82% no heaters, 71% no refrigerators, 54% no washers, 96% no oil burners.

● ● ● Leaders in nearly every industry think that their particular industry could and should lead the parade back to prosperity. The chairman of the fashion committee of the National Association of Merchant Tailors of America, for example, stresses the stimulus of color as essential to reviving the men's wear business, and declares that colors will increase sales 100 to 500% and "bring a billion dollars a year in extra business. America can be dressed back to prosperity in color."



# Shots in the Sales News

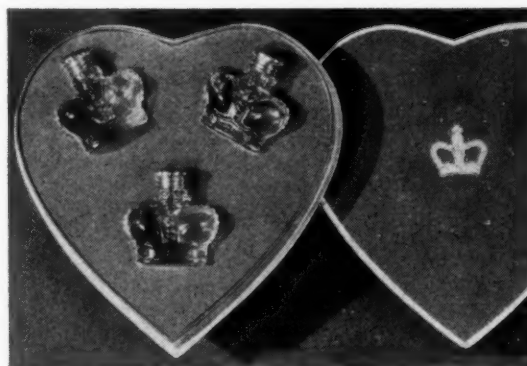
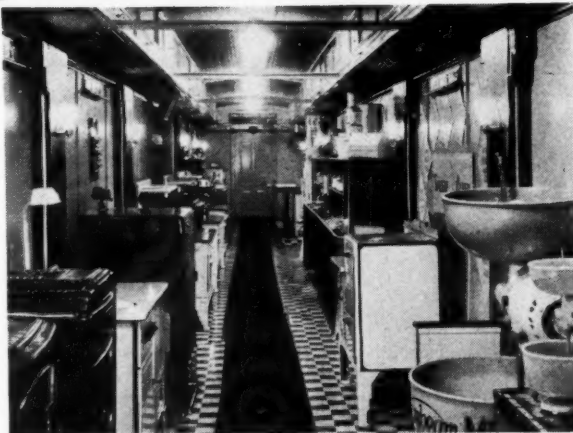


**New Clothes for Lady Esther:** Designer Helen Dryden, utilizing extreme simplicity, gives family identity to these Lady Esther cosmetics. The powder boxes are pale pink with blue polka dots; the cold cream jars are white glass with pink enameled caps. Only six words are on the labels.



**Cantor Counter Card:** (Above) Pebecco ties up its radio campaign with point of purchase cards. The old flavor was somewhat distasteful to youngsters so all the advertising on the improved paste emphasizes "there's been some changes made."

**Hardware Train:** (Right) Kelley-How-Thomson Company, Duluth wholesalers, send a "Train of Hardware Progress" to 55 cities on a 3,800 mile swing around the circle. The twice-a-year arrival of the special is a gala occasion, thanks to the cooperation of local merchants. Crowds climb aboard to inspect the latest wares and salesmen explain them, hand out tons of literature. Sales mount in the wake of the exhibition on wheels.



**Hearts and Flowers:** (Above) Allied Florists, Chicago, try out Cellophane packages, an idea conceived by Hilmer V. Swenson Company. At left above is a Valentine "Peek-Pak" that keeps the flowers moist and fresh. On the right is Prince Matchabelli's fragrant offering for the day dedicated to lovers: A bright red heart holding three little crowns of his perfume. One and two bottle packages also come in the romantic heart boxes. Clever, huh?

**Opera on Main Street:** (Left) Listerine, toothpaste and antiseptic, builds a window display around its broadcasts of the Metropolitan Opera, thus hoping to interest the average man in arias—and in Listerine products. Einson-Freeman executed the display which places actual packages right in the spotlight.



**Coordinator:** (Right) A. J. Amos will head a new General Foods sales activity, contacting large organizations, such as railroads, steamship lines and hotel chains. He will represent all the company's 20 advertised brands as well as 60 other GF items, coordinating and supplementing the regular district sales managers. He's been with the firm since 1927.



Photo by Ben Pincot, N. Y.



# Goodwin Sets Forth to Conquer 12,000,000 "Anchored Market"



BY  
LAWRENCE  
M.  
HUGHES

Adolph O. Goodwin, big in body, has big ideas too. He hopes to provide for the churches of America many millions a year in income through operation of the Goodwin Plan. By means of 265,000 church workers, who will act as "broadcasters" of news about the products of manufacturer-members of the plan, he expects to affect the purchases of some 3,000,000 families.

IN the ballroom of the Plaza Hotel in New York on the morning of Monday, January 14, were gathered three groups of people. They were widely different people, but they all seemed much concerned with the meeting. The SALES MANAGEMENT representative—the only "outsider" present—found it a strange and stimulating combination of a political convention and sales conference.

Toward the back of the room sat about 200 women—most of them, obviously, "housewives," mothers and grandmothers; typical American women. If the reporter had not just braved a gale so strong it seemed almost to unseat General Sherman from his bronze horse in the panhandle of Central Park, he might have thought himself in Tulsa or Missoula.

Seated with the women were a few clergymen of various faiths and a few laymen.

In front of this group were 108 men. Obviously they were business executives. As the "roll call" later showed, many of them and their companies were well known.

Facing these groups, in a long row across the room behind a speaker's desk, were 20 other executives. In the center of this row, his great height and bulk—six feet four and one-half

inches and 270 pounds—making him even more a focal point, sat the man who was responsible for these groups being there.

His name is Adolph O. Goodwin. This was the climax of a series of such meetings, each of which has introduced to an invited group of manufacturers of diversified products a new sales promotion instrument known as the Goodwin Plan.

The plan itself, as a result of these meetings and presentations, has won the participation of some 60 manufacturers of more than 300 non-competitive, generally - distributed products, in the sales interest of which 265,000 women "good-news broadcasters" will shortly start "verbal endorsement" campaigns among the family heads of their communities.

The launching is being effected formally today by locking up the list for the first edition of an illustrated Shopping Guide for distribution by the "broadcasters." For a "registration fee" of \$2,500 each manufacturer participating may have one column in the guide, in which to show and describe those of his products which have been chosen. He may have additional columns for \$500 each. More than one hundred columns have been taken. Within a few weeks, it is expected,

the book will be placed in nearly 3,000,000 American homes.

For sales increases gained through operation of the plan itself, it was emphasized at the meeting, the manufacturers pay a small percentage. But they pay only in *proportion* to actual *increases*. They pay only *after* the increases have been made.

The 200 women at this meeting—a good-sized sales promotion force themselves—were less than one-tenth of 1 per cent of the 265,000 "broadcasters" enrolled in the Goodwin Plan throughout the United States. Each, it was shown, is an active member of a society of one of 17,500 churches—Catholic, Protestant, Jewish—in 5,800 cities and towns. Each has agreed, for a period of three years, to call monthly on *at least ten* families in the interests of *all* the products listed.

Executives of the Goodwin Corporation, sponsor of the plan, refer to them in the aggregate as an "oral sales promotion medium." Instead of reducing a manufacturer's regular advertising, it was explained, they are intended to make the advertising work more effectively. They will help to eliminate switching of brands, by developing an increased and consistent demand for these products by the nearly 3,000,000 families of this "anchored market." The families will purchase the products from established retail stores.

## Churches to Show Profit

The broadcasters have signed in order to earn money to contribute to their churches. Manufacturers participating will pay a total of 3½% of the retail value of sales made to these families under the plan—only sales from which certain specified "evidence" is saved and presented to each manufacturer by the Goodwin Corporation. More than half of this—2% of the total value of these sales—is to go to the broadcasters, for the churches. Thus the interests of the manufacturers and the church society workers, it was shown, are identical, and the returns to both exactly proportionate to the success of the broadcasters' efforts in any given locality.

To coordinate and develop the work of the broadcasters and to provide merchandising aid for the manufacturers, the Goodwin Corporation

SALES MANAGEMENT



has established a headquarters staff at Chicago and is represented by 15 territorial supervisors, 363 district (local) managers, and nearly 1,000 representatives. One-half of one per cent will be paid to each district manager and his representatives for sales made in their locality. The remaining 1% will compensate the territorial supervisors and the Goodwin Corporation, and will provide for operation of evidence audit bureaus, and for general contact and promotion expense.

The 108 business men at the meeting represented 73 manufacturing companies invited to participate in the plan. A number of these have since joined. Others have come in as a result of previous and subsequent meetings. . . . The 20 men at the front of the room represented the 45 companies already in the plan. A committee of these manufacturers had joined in the cultivation of the "prospects" and sponsored the meeting.

All of the "Goodwin" manufacturers present told the prospective members what they had "found" in the plan, and what they and their organizations intended to do about it.

One of them, an executive of one of the largest corporations in American industry, pointed out that "when I presented the mechanics of the Goodwin Plan to our divisional district managers, I did so with restrained optimism. And yet, at the end of my explanation, they not only requested the plan, but demanded it."

### Boosts Brand Buying

Another said: "Conditions since the advent of the depression have brought us to a point where the Goodwin Plan, or some instrument like it, must be resorted to if we are to maintain the popularity of brand names among consumers."

Toward the close of the meeting, the 200 women were brought up, a score at a time, and introduced to the manufacturers as a "sample" of the nation-wide sales promotion medium which the Goodwin Plan has provided. They let the manufacturers know of their enthusiasm for the plan—for its purposes and for the products which would help them all to realize those purposes.

Then Mr. Goodwin said: "Raise your hands, you who want to purchase your categories under the plan!" A number of them did. Several stood up.

It was a stimulating meeting, right up to the last. And the manufacturers were feeling pretty sure by then that the plan would mean a sales revival for them, too.

Here, in his own words, is Mr. Goodwin's story of the plan's conception:

"The year 1929 brought us to the overflowing point in production, as against consumption. At that point there were too many things, too much alike, at too much the same price. Promotion and advertising instruments then available could not lift a product above competition. . . . And an 'extra something' was needed.

"Word of mouth advertising has always been a most effective medium. I decided to try to direct the word of mouth advertising of a large group of women throughout the country, among their friends, on behalf of a group of worth-while, needed, non-competitive products.

### Dignified Aid to Churches

"There had to be a reason. There had to be a common denominator, which would bring the manufacturers together and cause the women consistently and constructively to promote these products. My reason for going to the societies of churches of various denominations for the members of this 'personal medium' was the memory of my own mother. For 55 years, down in Raleigh, North Carolina, she has crocheted and embroidered articles to sell for her church bazaars, and has assisted in cooking church suppers and selling articles from house to house—all to make money for contributions to her church purposes. Millions of women are doing likewise. But these methods must be undependable. The churches cannot rely very much on contributions from these sources. And they are likely to affect manufacturers and retail stores unfavorably.

"It was my theory that 250,000 of such women could be enrolled, and that they could earn substantial amounts if paid only a fractional commission from the sales that they would cause—provided they were supplied with the names of a diversity of products of normal family use.

"I believed that the clerical heads of the denominations of which the societies are a part would prefer such a method of their workers earning money for contribution to church and charity purposes, to those which had been employed. I felt that such a medium would protect the present retail dealers and distribution channels, and would also effectually produce sales for manufacturers. But more important, I believed that the basis of cost to the manufacturers, of a small commission on each sale so brought about, would reduce the 'chance' formerly taken in sales promotional

(Continued on page 152)

### "Goodwin" Manufacturers

Here are some of the manufacturers who have listed all or some of their products with the Goodwin Plan:

Acme Card System Company  
(Index systems)  
Allen-A Company  
(Women's and men's silk stockings; women's and children's swim suits)  
Armand Company  
(Cosmetics and beauty aids)  
Barbasol Company  
(Shaving cream and razor blades)  
America's Own Match Company  
(Safety and "Strike-all" matches)  
Boston Food Products Company  
(Prudence corned beef hash, beef soup, lamb stew, etc.)  
Bost Tooth Paste Corporation  
(Bost tooth paste and tooth powder)  
Joseph Burnett Company  
(Extracts, spices and food coloring)  
B.V.D. Company, Inc.  
(Men's underwear and handkerchiefs)  
Champion Spark Plug Company  
(Spark plugs)  
Crown Overall Manufacturing Company  
(Overalls and children's play suits)  
Diamond Match Company  
(Toothpicks, clothes pins and waxed paper)  
Dictograph Products Company, Inc.  
(Acoustic products)  
E. I. du Pont de Nemours & Company, Inc.  
(Paints, varnishes, enamels)  
Eberhard Faber Pencil Company  
(Pencils, penholders, erasers and rubber bands)  
Elder Manufacturing Company  
("Tom Sawyer" boys' blouses and neckwear)  
Flash Chemical Company  
(Mechanics' hand paste, hand de luxe powder, silver polish)  
E. Fougere & Company  
(Vapex; Rigaud perfumes)  
Frostilla Company  
(Frostilla hand lotion)  
Walter Janvier, Inc.  
(Shu-Milk shoe polish)  
Haley M-O Company, Inc.  
(Haley's magnesia-oil)  
E. Griffith Hughes, Inc.  
(Radox bath salts, Emerald oil, etc.)  
McKesson & Robbins, Inc.  
(Albolene, Calox antiseptic, McKesson aspirin, Yodora)  
Metal Textile Corporation  
(Chore Girl scouring pads)  
Middishade Company, Inc.  
(Men's clothes)  
Enoch Morgan's Sons Company  
(Sapolio, Sapolio powder, hand Sapolio)  
Musterole Company  
(Musterole)  
Northern Paper Mills  
(Northern tissue and gauze; bathroom paper)  
Olive Tablet Company  
(Dr. Edward's Olive Tablets)  
Radbill Oil Company  
(Penn-Rad motor oils)  
Rieser Company, Inc.  
(Venida sanitary napkins, hair nets, facial tissue, etc.)  
E. W. Rose Company  
(Zemo liquid and ointment)  
Rotospeed Company  
(Duplicating machines)  
Royal Worcester Corset Company  
(Bon-Ton corsets and Bon-Ton products)  
Runkel Brothers, Inc.  
(Chocolate and cocoa)  
Scott & Bowne  
(Scott's Emulsion, cod liver oil and cod liver oil tablets)  
Seiberling Latex Products Company  
(Rubber goods specialties)  
R. B. Semler, Inc.  
(Kreml hair tonic and shampoo)  
Shirtcraft Company, Inc.  
(Shirtcraft shirts, Airman shirts and Horner pajamas)  
Stokely Bros. & Company, Inc.  
(Strained vegetables for babies)  
Vollrath Company  
(Enamelware for the kitchen)  
Winget Kickernick Company  
(Patented underdress for women and misses)





H. Armstrong Roberts

## When Politics and the Weather Beat Salesmen Out of Orders

[ 124 ]

Reprints of this page are available at three cents each, remittance with order.

BY  
W. M. DAY

I WAS sitting in the office of a buyer for a large corporation the other day. The telephone rang and when he put it down he turned to me and said:

"You don't mind, do you? A salesman outside to see me. He won't be long."

"I'd like to hear him," I replied, and moved over to a corner as he came in. Here's a record of what took place.

The first five minutes were devoted to a discussion of health and the general business situation.

The next ten were spent in talking about what each had done during vacation and about a party the salesman had just been on.

The last five were occupied by a recital of the salesman's difficulties under present conditions.

Then—

"How about some of these new pencils we have?"

"What pencils?" asked the buyer and he looked at the clock. "I'm sorry but we've got a date for lunch and we just have time to make it. Drop in again sometime."

And out the salesman went.

The buyer has only so much time to give you—and you could probably use more—so don't waste it. Do your selling *first*, then if you have time, talk about anything you and the buyer want. Even if you know him well, tell your story *first*. You're getting paid for being a salesman—not a conversationalist.

SALES MANAGEMENT



# Some Simple Rules for Putting Punch into Store Demonstrations

For trying out a new product "on the dog" in a hunt for possible flaws; to gauge the public response; for securing a large volume of initial orders because of an immediate consumer recognition and demand, the store demonstration has repeatedly proved its worth. Yet something more than a pretty girl with a come-hither eye and gift of gab is required

volume. In what way must the store cooperate? In having the stock—and plenty of it—on hand before the demonstrator's arrival, so that no time may be lost; in granting proper "spots"; in keeping display material

THE word "demonstrator" formerly made a store manager see red. Fellows out on the sidewalk or in alley-ways, barking at you from open store fronts . . . these boys were taking a lot of the legitimate store's business, and were no friends of the harassed store manager, with a monthly sales-quota staring him in the face.

Today all is changed. The demonstrator has, so to speak, "gone white collar." Sidewalk technique has vanished, and the former trick-demonstration racket has gone its way. The new demonstrator has been elevated to the rank of an aggressive, intelligent, and sharp-witted individual. He knows all the tricks of psychological suggestion. He is quick-witted, and ready with answers to both intelligent and stupid questions, and is ready to outwit smilingly any of those cynical gentlemen whose sole pastime is hunting demonstrations and embarrassing demonstrators.

## 5 Factors in Demonstration

Demonstration has taken its place in the retail store as a legitimate, respectable procedure which creates sales that would not have been made in the ordinary routine of business, which draws crowds, and therefore stimulates sales of other items, and which introduces new items to the public, assuring continued sales of that item even after the close of the demonstration.

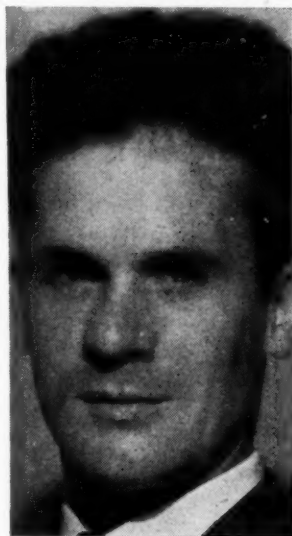
In our experience of seven years, conducting demonstrations throughout the principal cities of the United States (through three large chain organizations), we have learned some very definite facts about demonstrating. These are not involved or complicated facts; yet the entire success of a demonstration, or a series of demonstrations being conducted on a circuit of cities, depends largely upon the way in which the factory, store and demonstrator are able to fulfill the conditions of these five factors:

BY

JOHN K. CRIPPEN

Manager, Direct Mail Department,  
L. B. Allen Company, Chicago

Mr. Crippen has worked with the Allen Company for many years as, successively, store demonstrator, field manager of the demonstration staff and sales promotion manager. People and direct mail have been his two chief interests, and promotion to his present post followed. He is the author of "Successful Direct-Mail Methods."



**Demonstrator:** The demonstrator is the most important factor of the machine. If not a trained, capable, and persistent type of individual, the best "spot" on earth will produce but few sales.

**The Product:** Of this, we may ask the question: "Does it permit of a 'moving - demonstration,' something that will captivate the imagination, arrest the attention of prospects? Does it possess dramatic possibilities of presentation—action, and an undefinable 'human interest' appeal?" If so, a good demonstrator can readily draw crowds, who will be interested in watching his actions, and will thus be compelled to hear the sales story, which is spicily presented and intermingled with a naturally interesting presentation. A "natural" product becomes the setting or background of an interesting personality, and while the demonstrator is ostensibly drawing attention to its unusual merits, he is actually putting on a little show, in which he is the hidden actor.

**Store-Cooperation:** This is not to be under-rated. Two of our demonstrators, who just returned from a tour of the West, declared that the splendid hospitality accorded them by store managers during the tour was largely responsible for a most unusual sales

ready and always on hand; in granting occasional special display cooperation, printing signs, etc., which are needed sometimes in a hurry; in furnishing cash-registers; in having an electric outlet handy for light on dark days. Then there are hundreds of minor details which may arise, and which require close cooperation on the part of the field demonstrator and the store itself.

**The Display:** A good demonstrator can do a great deal toward attracting a crowd. The usual procedure is quietly to interest one or two, who will serve as a nucleus for more. But a good, forcible display is of great value to the demonstrator in building up a large group. Color, a few striking, bold phrases standing out—these are of principal interest to the passer-by.

A display is a wonderful help to the demonstrator in getting prospects up to the table. It must be remembered, however, that too much detail and elaboration in the display tends to detract from the demonstrators' presentations, and may divert the attention of prospects. The product should be well placed, at the side of the demonstrator, so that he will have full view. Additional display material, such as signs, illustrations, etc., should be



placed either at the side or in the background. Moving demonstrations and flicker-signs are valuable material, if advisedly used. They should never conflict with the continuity of the whole effect, nor should they be so placed as to interrupt the vision, or detract from the demonstrator's presentation. Flicker signs and moving displays are best used at corners—to attract customers approaching from other directions than toward the front.

### Best Locations Analyzed

**The Location:** Is a very important factor. You might put an excellent demonstrator, with a first-rate demonstration product, a perfect demonstration, and a fine display, behind a pillar in an out-of-the-way location. Certainly, you could not expect any sales volume. The store cooperation is needed in securing the proper location, which is comparatively easy to find, as the rules for a demonstration's location are simple. The following four points list briefly the important features of location. These we have gathered largely through observation, comparative results, and experience in the selection and maintenance of store-demonstrations during the past several years:

(a) The demonstration should be as close to an entrance as possible, but must not be so placed that a large audience will obstruct traffic into nearby aisles.

(b) It should be so situated that it will receive traffic flowing toward as many departments as possible, unless strictly a one-department item. In that case, it should be placed near the entrance of that department to which it pertains. In any other department, it would look out of place.

(c) The demonstration should be placed in such a manner that the bulk of traffic is flowing toward it. Careful observation and check-up is sometimes necessary to learn whether or not it is so advantageously placed. Sometimes the flow of traffic will be about equal in both directions. The sauntering customer who is merely "looking" will be avoided by correct placement with regard to traffic-movement. Incoming traffic means unspent money.

(d) The stand should be near electric outlets; the cash-register should preferably be electrically-operated, and handily placed.

Retail store demonstrations offer a quick and rapid gauge for the salability of a new product. They offer the further advantage of quickly gaining recognition for a product, and therefore securing larger stock-orders. It is one of the least expensive and most effective means of sales-promotion.

### Chesman With Donahue & Coe

W. L. Chesman, formerly with the Geyer-Cornell Company, where he was vice-president, has joined Donahue & Coe, Inc., in a similar capacity. Mr. Chesman, who was at one time vice-president of Erwin Wasey & Company, has serviced a wide variety of accounts.

## Talking Points

BARBASOL breaks into newspapers for the first time in ten years, with half-pages in Chicago and New York journals that are designed to make whiskered males mirror-peekers. "Most men look older than they are," trumpets the headline, "With alkaline soaps . . . you see wizened-up old young men. . . . If you want to keep looking young and fit throw away your shaving brush and buy a tube of Barbasol." If the "beauty-conscious" campaign clicks, it will be extended to other cities. A magazine campaign along the same theme starts in May.



Charles Dana Gibson pictures the '90's.

STANDARD BRANDS' Tender Leaf tea emerges breathless from the laboratory to proclaim, "You actually get the reviving effect of extra oxygen from tea." Lack of oxygen in the blood slows down the activity of the brain, but when you drink tea the blood circulating to your brain and tissues carries 20% more oxygen. To avoid looking like the freaks and frumps of the Gay 90's, when diners were left in a state of semi-stupor," just have a cup or two of Tender Leaf tea."

HILLS BROS. combats "coffee-floating," switching brands, with a tale of Mr. Brown who "had patiently tolerated his wife's enthusiasm for antique furniture. For ten years Queen Anne, Chippendale, Sheraton and Jacobean pieces were shifted in and out of their home. . . . When Mrs. Brown started to serve a different brand of coffee each week, Mr. B. lost no time in remonstrating. 'Listen, Mary, you can float from one style of furniture to another, provided you stop coffee-floating. . . . Stick to Hills Bros. coffee even though it may cost

a little more, you always get more fine cups from a pound than any other brand.'" With the ad to encourage them, a lot of husbands will doubtless issue similar ultimatums.

FAIRBANKS-MORSE COMPANY markets a "Conservador" refrigerator that "gives 3 months' free refrigeration each year. When the door of an ordinary refrigerator is opened, the whole food compartment is exposed. . . . Warm air rushes in, cold air is forced out, and the current bill goes up. Conservador stops this needless waste." A subsidiary, Fairbanks-Morse Home Appliances, Inc., Chicago, handles the distribution through 36 dealers in as many cities.

RIZLA COMPANY hopes to popularize rolling your own cigarettes with its roller "Jiffy Kit," filter tips and Rizla papers. The filter keeps smokes "free from teeth-staining tars and tobacco shreds." A prize contest in Cleveland starts the ball to rolling.

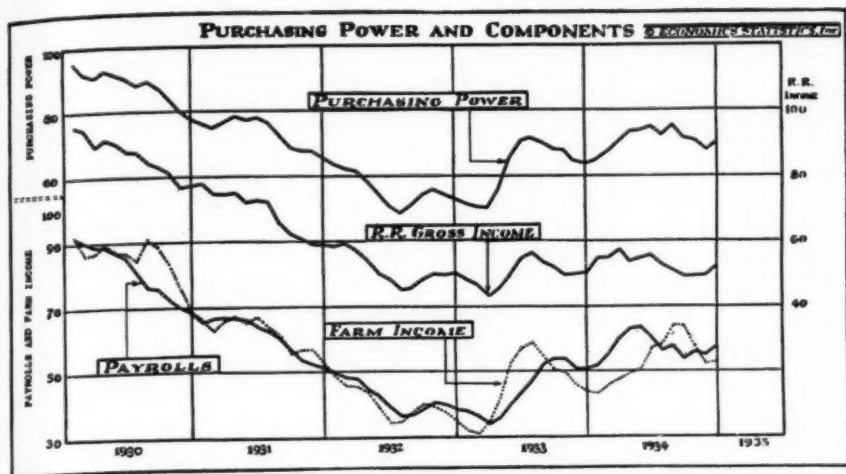
BRUNSWICK-BALKE-COLLENDER announces "free billiard lessons by personal instruction." Simply "mail coupon for free 56-page lesson book and name of nearest billiard room offering free personal instruction." There are no strings on the offer, for B-B-C know that if they can bring folks under the magic spell of the clicking balls a goodly number will buy tables (often B-B-C tables) for their homes.

"Old Gold Weeks," which have nothing to do with the cigarette, are being staged in the Middle West. In Indianapolis the *News* sponsored the event; in Decatur, Illinois, the Gebhart-Gushard stores put it on. Thomas J. Dee & Company, Chicago appraisers, lurked in the background, inconspicuous, though probably the moving spirit. The procedure: Copy explains that old gold, "junk jewelry," is readily convertible into legal tender. Owners send their battered watches, chains, etc., to Dee; an appraisal and offer at \$35 an ounce is made. This offer is then exchanged for "gold certificates, usable just like cash," at any of the cooperating stores. "It is estimated that there is more than \$10 worth of this junk jewelry for every person" and the Gold Week turns it into new and active wealth.

CINCINNATI SOAP COMPANY pushes Pal, a soap that "blues as it suds as it washes," into the sales melee with a bargain offer: "If 5 of your friends buy Pal, we will give you 50 cents worth of groceries free. Complete details in each package."

SALES MANAGEMENT





# Industrial Sections Show Greatest Improvement, Led by Cleveland

BY JULES BACKMAN AND A. L. JACKSON

*Editors of Economics Statistics, Inc., New York*

WE have previously indicated in these pages that cash marketings in farm districts will tend to decline during the next few months, even though we expect farm income for the entire year of 1935 to be slightly in excess of that during 1934. At the same time, we have indicated that sales in manufacturing districts would increase during the next few months.

The reason for our expecting sales to improve in manufacturing centers can best be shown by comparing the trends of farm income with the trends of manufacturing payrolls and railroad gross income. Note in the accompanying chart that farm income has declined steadily since August, 1934, and has fallen, according to our index, to 52.7% of the 1923-25 average as compared with 64.6% of that average in August. On the other hand, payrolls of manufacturing industries have increased irregularly since September, rising from 53.7% to 58.0%. Railroad gross income has also increased steadily since September: Our index now stands at 52% as compared with 49% in September. It should be noted that our combined index of purchasing power declined steadily from August through to the end of November and that there was a slight increase during December, the cause of this increase

being the improvement in manufacturing payrolls and railroad gross income.

At the present time, based upon the value of manufactures, the automobile and the iron and steel industries are by far the two most important. From 11,400 cars during the week ending December 1, automobile production has increased to 67,200 cars per week during the week ending January 19. This improvement has been much greater than is seasonally normal, but yet there has been no apparent excessive accumulation of inventory. Registrations of automobiles have held up well and are now increasing at a better than seasonal rate. The outlook is for higher production schedules.

What does this mean when translated in terms of purchasing power? It should be noted that employment in Detroit has reached the highest level since early 1930, and, throughout the automobile manufacturing districts, total manufacturing payrolls have increased very sharply. This improvement in automobiles has had a corresponding beneficial effect upon the allied industries, such as steel and rubber.

The steel industry has increased its operations steadily since October 20. Steel production has increased from 22.8% of capacity, as was recorded

during the week ending October 20, to 49.5% of capacity, recorded in the week ending January 26. This increase also has been much greater than is seasonally normal and employment and payrolls have shown a corresponding advance. Not only has ingot production increased, but rolling mill activity has been stepped up at a similar rate.

Rubber consumption has increased steadily since September, rising from 30,352 tons during that month to 36,662 tons in December. According to our seasonally adjusted index, activity in the rubber industry has increased from 102.3% of the 1926 average in August to 158.6% in December. Here again, employment and payrolls have increased rapidly. None of the other industries has shown a comparably rapid rate of improvement.

## Four Golden Districts

These three most active industries are centered principally in the Federal Reserve districts of New York, Cleveland, Chicago and Philadelphia, and the improvement has been relatively more within the Cleveland district than in the others. Based upon these three industries alone, it can be concluded that sales should show the greatest improvement in the Cleveland district, but should also show considerable gains in the other three mentioned districts.

Perhaps the next most important industry to be considered at this time is textiles. The wool industry has increased from a low of 51.0% (1928-30 equals 100) in September to 97.7% in November, and from preliminary reports the December rate of activity was well above 100%. Activity in the cotton industry has increased from a low of 69.6% reached in September to 96.3% in December, and the silk industry has increased from 67.9% in September to 94.9% in December. Second only to the improvement that has occurred in automobiles and steel, stands the record of the textile industries. The principal centers in which purchasing power should be increased as a result of this improvement are the Federal Reserve districts of Boston, New York, Richmond and Atlanta. This improvement has been relatively greater within the New York district.

The meat packing industry probably should be ranked fourth in importance. This industry, which is quite generally spread throughout the districts of Chicago, St. Louis, Kansas City, Minneapolis, New York, Philadelphia and Cleveland, has been running at a very high rate of activity for the past few months. In view of the number of animals still available for slaughter, this industry should continue at a high



rate of activity in the next few months.

The butter and cheese industry, chiefly centered in the districts of Minneapolis and Chicago, has been exceptionally active during the past few months, but is now slackening, partly to seasonal conditions and partly as a result of drought conditions. The leather and boot and shoe industries have been declining for the past five months. However, due to the low inventory position now prevailing and the improved seasonal conditions immediately ahead, activity should increase sharply during the next three months. The principal districts affected by these industries are the Reserve districts of St. Louis, Boston, New York and Chicago.

Petroleum is recording a better than seasonal performance, and is aiding the Dallas and San Francisco districts to a slight extent. Lumber continues to operate at a low rate—less than 30% of capacity. Production of cigars, cigarettes and other manufactured tobacco products has declined recently, but not enough to materially affect conditions in the Richmond and New York districts.

### Cleveland 1st, Then Chicago

From the above analysis, it seems evident that the Cleveland reserve district is in by far the most favorable position of all parts of the nation. Chicago, we feel, is running a close second, and in the third place, we group the districts of New York, Richmond and Boston.

As a note of caution regarding the agricultural districts, it should be noted that farm prices at the present time are ranging from 10-25% above the general average of all commodity prices and the current level of total purchasing power. Under these conditions, it seems unlikely that farm prices will move much higher (if at all) in the immediate future. Furthermore, marketings of crops declined to 61.5% of the 1923-25 average in December as compared with 84.0% in November and 129.0% in October. Marketings of animal and animal products declined to 84.0% in December as against 93.0% in November and 100% in October. The low inventories of crops now held on farms indicates that marketings of crops will continue to decline as is seasonally normal during the next four or five months. For a similar reason—the huge supplies of animal and animal products already at principal marketing centers—animal marketings are not likely to increase so much as is seasonally normal during the next three months. On balance, it seems that there should be some contraction of sales in farm districts during the immediate future.

[ 128 ]

## Food Industries, in Conventions at Chicago, Fight ABC Labeling

More than 10,000 members of various food industries organizations met in Chicago on January 15 for their annual conventions. Among these were the National Food Brokers Association, National Canners Association, Canning Machinery & Supplies Association, National Fruit & Vegetable Shippers Association, National Association of Wholesale Grocers, National Preservers Association and the National Pickle Packers. Sessions covered generally a period of three days.

Keenest opposition was developed during the meetings to the "A-B-C" system of labeling as it is being fostered and promoted by the Bureau of Home Economics of the Department of Agriculture. The story of this opposition was told in the January 1 issue of SM.

Proof was evidenced at the meetings that the proposed system is meeting with extraordinary bitter feeling. Leaders in various groups expressed themselves by condemning the method as "inadequate, unsatisfactory and misleading." They desired, they said, labels which would "tell the full story of the can's contents."

"Let the buyer know," they said, declaring that the descriptive label was the only method of "encouraging the packer to produce real quality."

The extreme interest in the fight was considered one of the causes of bringing out the biggest attendance in the history of the foods industries.

### New Campaigns and Products

Canners reported that, owing to the short pack of tomatoes, prices for this favorite item of diet are going up. With hardly any hold-over they had hoped to pack 15,000,000 cases. Owing to drought and generally unfavorable conditions a pack of only 12,900,000 cases resulted.

Calavo consumption, it was reported, has jumped more than 500 per cent in the last year. In some sections more than 2,000 per cent increase in consumption was reported. The sudden popularity of this comparatively new fruit is credited very largely to the consumer advertising campaign developed by the Calavo Growers of California.

This advertising has been carried on largely through tie-ups with retailer advertising in newspapers and by the use of articles in the home economics

pages which give recipes for serving this delectable fruit.

Sixty-four calavo grocers in southern California have joined in the movement since October 1. A total of approximately 1,500,000 pounds of calavos have been marketed so far this season. This is pointed to as one of the most successful introductory campaigns in the history of food advertising.

Libby, McNeill & Libby brought to the convention the story of its successful test campaigns in introducing its new "Homogenized" baby foods. The method of manufacture is revolutionary. Mixtures of various types of vegetables are cooked and blown against a metallic plate under extreme pressure through jets.

The claim is that this breaks down the cell structure and gives a very smooth product entirely free from fibre. Usually two or three varieties of vegetables are blended, without sugar or salt, and it is contended, the babies of the nation are given a superior health-giving food.

The cost compares favorably with competitive baby foods of the strained type. Libby plans to promote the new food through intensive advertising campaigns aimed to get the attention of mothers of infants.

### Nearly Half of All Radios At Least Five Years Old

A study recently completed in a 2% cross-section of all homes in Trenton, New Jersey, shows that 41.5% of all radios are at least 5 years old, and that the 5-year, 4-year, and 3-year old sets represent the greatest volume. Philco, Majestic, R. C. A., Atwater-Kent, Silvertone, Bosch and Victor lead in the order named.

The age of sets, in percentage, is as follows:

	%
Less than 1 year .....	2.5
One year .....	4.7
Two years .....	12.1
Three years .....	16.8
Four years .....	18.3
Five years .....	19.7
Six years .....	8.7
Seven years .....	6.4
Eight years .....	3.6
Nine years or more .....	3.1
Don't know .....	4.1

SALES MANAGEMENT



# Good for Gum, Good for Baseball: PK Advertises Cubs

**P.** K. WRIGLEY, boss of the Chicago Cubs, who often does unexpected things, has begun to advertise baseball. Up to now baseball has never been advertised to any extent in the paid columns of a newspaper. And nobody ever thought of winter advertising for baseball. Occasionally baseball teams have carried a card in "sports events." But never display advertising.

In setting this precedent, P. K. Wrigley has surprised not only the public but the newspapers of Chicago as well. Nobody seemed just able to figure it out. Charles Drake, assistant to the president of the Cubs, told SM:

"Mr. Wrigley, after watching the Cubs and the Cubs' business for a time, told us in a regular board meeting that, in his belief, in merchandising baseball we ought to follow the same principles that we have followed in merchandising chewing gum. He looked out of a window, down on Michigan Boulevard, and said, 'See those people going by. They are all consumers of chewing gum. They are all baseball customers if we can convince them they ought to see the Cubs play. We are going to sell them on baseball.'"

"Look at our baseball advertisements, now running during the winter, with snow on the ground. Notice what these ads say:

'Look ahead to sunshine . . . recreation . . . happy hours with the Cubs at Wrigley field next summer.

'A healthful hobby and a world of fun. . . Watch the Cubs play ball next summer at Wrigley Field.

'Decide now on enjoyment and recreation with the Cubs next summer . . . at Wrigley field.'

"There's nothing there about the men on the team, or the players. It is selling the game, and the Cubs, and health, fun, the benefits of sunshine and relaxation. Sports writers have stressed winning so much in their columns that the public doesn't go to a ball park for the fun of the game. They go to see a winner.

"Drop out as a pennant contender and the public doesn't come and the team begins to lose money. The Cubs

Philip Wrigley, who thinks as clearly about merchandising and advertising as any one we know, decided he's going to fill the empty seats at Cubs Park this year and get his team out of the red. So he's beginning in the Winter to create crowds for the Summer months.

lost \$182,000 last year. If we had won the pennant and got in the world's series we'd have made money.

"Our idea in advertising the game, and the fun, and the healthfulness of it, the sunshine and the relaxation, is to get the public to go to see ball games, win or lose.

"Some of our friends have told us that we are crazy advertising baseball in the winter time with the playing season months away. Some of them, in the next breath, discussing the advertising, have said, 'I'm going to see more Cub games next year.'

"Anyway, this winter advertising has set 'em to talking and we think we will get a profit out of it. Perhaps we will open up baseball advertising throughout the country. Others teams will advertise, no doubt, if we prove to them that it pays.

"It is Mr. Wrigley's belief that the harsh criticisms of many sports writers have hurt baseball. He thinks, perhaps, that he could buy space liberally in the newspapers and sell baseball to the public in a bigger, better way than it is now being done by the sports writers. Perhaps, if this experiment proves profitable, the Cubs will use display advertising liberally all summer."

The advertising done so far consists of two-column 140-line display ads. It is being run in five Chicago newspapers. Two of them are morning papers and three evening papers. The ads run approximately every other day. In reality it is a test campaign

. . . to see if the public will react in sufficient numbers to make it profitable.

P. K. Wrigley is putting various new ideas into the management of his park. Young Bill Veeck, son of the late president of the Cubs, has been made a sort of master of ceremonies. His job will be to scout the park daily to see that the public is properly handled. All customer troubles will go to him. He will be the fix-upper.

Mr. Wrigley is considering the advisability of starting Saturday and Sunday games at 1:30 p. m., instead of 3 o'clock. He thinks the public might attend in larger numbers if it could get away earlier. He is looking into another nuisance which has brought complaints—the lack of consideration on the part of the peanut-ice cream-pop-and-hot-dog cowboys for the public.

This summer he will test out a new type of upholstered seat which, if found satisfactory, may be adopted throughout the park.

In other words, baseball at Cubs park in Chicago is to be merchandised much after the manner of chewing gum. The Wrigley advertising motto has always been:

"Tell 'em quick and tell 'em often."

William Wrigley, Jr., who started P. K. out in gum and baseball, clung to that idea. P. K. thinks his father's ideas in merchandising were very sound. He thinks enough of them so that he's ready to carry them even further than his father did.



# Man Wanted!



H. Armstrong  
Roberts  
Photo

BY NELSON S. BOND

[130]

"MAN WANTED: We can use a young man, ambitious, courteous, honest, and refined, in our organization. The days of big money are not gone. Mr. A made \$125 last week. Mr. X has earned over \$7,000 this year so far. If you are the man we want, apply Room 12, Suchandsuch Building, tomorrow before 9 A.M."

THIS is typical of a certain type of advertisement that may be found in the classified columns of any metropolitan newspaper today.

Reeking with genial affluence, momentarily it fills the depression-ridden hearts of thousands of ad-scanning young men with hope—until those young men have learned, through bitter experience, that the tale is all "bunkum," and that the district sales manager who inserted the ad has little of the "courtesy, honesty, and refinement" that he demands of his applicants.

Take John Simmons. John is a salesman in Philadelphia—dear old "City of Brotherly Love." He is neither an exceptional salesman nor is he a bad one. He is just a good, hard-working, plugging, run-of-the-mill salesman thrown out of a job by the depression. His contacts, of a specialty nature, were ruined by the failure of his former employer, and he had to go gunning for whatever selling job he could get.

The first ad he answered was one such as I have quoted above. He got to the office before 9 A.M.—as the ad suggested. He and a crowd of other applicants were informed by a weary secretary that "Mr. Z would be in shortly." They waited. At 10 A.M. Mr. Z. had not yet put in an appearance. At 11 A.M. there were fully three score applicants . . . and Mr. Z came in finally.

Mr. Z wasted no time in preliminaries. He held no private interviews to establish the relative worth of his applicants. He lined them all up and gave them a "pep talk." In the course of the talk it developed that the men were to canvass for a patented electrical appliance. Their sales talk had

been planned for them in detail a long time ago by a clerk sitting hunched up over a typewriter in an office. These sales talks, it seemed, were printed in a manual which would cost the applicants only the negligible sum of \$1.

My friend left. John had no money to toss into the hands of a greedy sales manager whose interest was more centered on getting a few suckers at \$1 apiece than on obtaining a few first-class salesmen for his article. But, for that matter, the article might not have been so good, either.

John went to see another "big-profit" advertiser. This place "listened good." The commissions seemed fair, and while there was no guarantee John felt satisfied that he could sell the commodity offered by this concern and make a living wage. He accepted the position offered and went out to get his lunch.

Unfortunately—or, perhaps, fortunately—John got back from lunch a little early. When he came into the outer office of his new employer, the sales manager was talking to a confidant in the adjoining room. Their voices penetrated the thin walls with amazing ease. And John's hopes for a good job went glimmering when he heard the manager say, laughingly:

"Oh, they won't stick very long! Just stall 'em for a little while and we'll pick up all their commissions!"

John finally *did* land a job. Upon being accepted, he discovered that, owning no car, he was classed as a "junior salesman," and, as such, assigned to work with a "senior salesman" (a salesman who happened to own a car). Both men reported to a supervising salesman, who in turn reported to the district sales manager.

John's first shock was the discovery that he might not make a sale. No matter how good a salesman he was, and no matter how convincing an argument he might present, when the time came for the dotted line to be graced with the customer's signature, John had to give way to the supervising salesman for the closing. That worthy, with access to credit ratings,

Few good companies engage in the questionable tactics discussed in this article, but the country is full of smaller fly-by-night concerns that have built up a sort of racket around the business of hiring salesmen. The result is that much newspaper classified advertising for salesmen is now failing to pull likely candidates. These experiences of just one salesman indicate clearly that sales managers who have a sound and legitimate proposition to offer new men must make a greater effort to sell the integrity of the company and the squareness of its policies in dealing with representatives.

SALES MANAGEMENT



could either refuse or allow the sale to go through—and in the latter case, John (theoretically) received his due commission for the contact established.

John's second shock came in discovering that every one of his prospects was labeled "N.G." by the supervising salesman. None of them, it appeared, had good credit rating. John worked three weeks at this job vainly trying to find a customer whose credit was good enough to allow John a little commission on a sale. He found none. Finally he turned in his resignation in despair. Afterward, feeling that the whole affair could not have been on the "up and up," he conducted a little private investigation, revisiting some of the former prospects who had been marked "N.G." on his reports. Angriely he learned that three-quarters of them were now owners of the article he had shown them. The sales had been made right over his head!

John found another job. It, too, had the standard divisions of junior, senior, and supervising salesmen. This time a definite scale of commissions existed. Upon John's completion of a sale he received, as junior salesman, \$8. The senior salesman, for unsolvable reasons, received \$11 for each of John's sales. And the supervising salesman got \$5 on every sale made!

### Who Shall Clean House?

Despite the completely incomprehensible commission schedule, John made a fair living here for a while. He received checks with fair regularity, and had hopes of really building up a fair income—until suddenly his "senior salesman" resigned. At that time John had commissions owing him to a sizable amount. Upon going to the supervising salesman for his overdue money, he was informed, blandly, that the company owed him nothing—that he had been hired by the senior salesman *through* the company. The company offered his signed contract in proof of this. A clause in the contract, worded in the usual unintelligible legal jargon, definitely stated that John was in the employ of his senior salesman, and that the company assumed no responsibility for money owed him by that party. In other words, John had never worked for that company at all—and the assurance of integrity that the company's name offered was a farce.

So there the matter stands. John is a good salesman, but until he can make a contact with some reputable concern he is "up a tree." The advertisements he reads are universally misleading—and behind all their fine, high-sounding verbiage there is a snigger of contempt for those un-

fortunate "suckers" who, driven to desperation by lack of funds, work without pay for unscrupulous managers.

What's to be done about it? John can do nothing. He is powerless against the array of technicalities, changing "company policies," and "organization rules" thrown in his face. He braves crookedness, favoritism, and fraud in his efforts to be placed. It is up to the bigger men—the producers whose goods are being purveyed in

such fashion by their outlying representatives—to uncover and investigate the machinations of their representatives in scattered cities. Perhaps these "men higher up" will discover the rottenness in the branches of their own organizations. Perhaps not. But until they do, a good salesman is lost to some company, and John will have to turn to some section of the classified ads other than that labeled "Salesmen" as he looks under the page headed: "Men Wanted"!

## Food and Drug Bills, NRA and FTC Lead News in Washington

Washington, January 25.

THE Senate Committee on Commerce and the House Committee on Interstate and Foreign Commerce have several food and drug bills before them. But one of these is worthy of particular note because it appears to be the one which will gain eventual Administration support. This is the revamped Copeland proposal now going under the number S. 5.

Mr. Copeland, New York's enthusiastic Senator, as inseparable from food and drug legislation as he is from his boutonniere, last year had a measure known as S. 2800 which was likewise a proposal for a new food and drug act, and which claimed most of the attention of Administration and legislators as soon as it was discovered that the so-called Tugwell measure was laboring a losing fight under the onus of the Under Secretary of Agriculture's name.

Senator Copeland is hopeful that his revamped measure will gain the hearty approval and expressed backing of the Administration. He has been a caller at the White House with that end in view. And he has exited smiling.

All of which seems to call for a comparison of some of the principal differences between the old and new measures.

1. The old: Gave the Secretary of Agriculture conclusive power as regards questions of fact.

New: Leaves it to the courts as contests arise.

2. Old: Court review existed under common law only.

New: Has a provision providing specifically for such review.

3. Old: The Secretary had the authority to promulgate rules and regulations.

New: Establishes one committee for that purpose on public health and another on food standards.

4. Old: Provided for a declaration on the package of the ingredients.

New: Provides the alternative of filing names and quantities of ingredients with the Department.

5. Old: A long list of diseases was named in which advertising of self-medication was considered taboo because of the danger involved.

New: Lists only cancer, tuberculosis, venereal diseases and heart and vascular diseases.

6. Old: Restricted the sale of fresh fruits and vegetables in packages.

New: Exempts natural products sold in open containers.

7. Old: Provided for "voluntary inspection" of factories (aiming, of course, at sea foods).

New: Does not apply this feature other than a recent amendment on sea foods.

8. Old: Authorized the Administration to make mass multiple seizures.

New: Mass multiple seizures unnecessary because of the addition of injunction proceedings securing judicial determination.

Senator McCarren, of Nevada (S. 580) and Mr. Mead, Representative from New York (H. R. 3972) have also introduced food and drug legislation. Theirs, if the Administration decides against Senator Copeland's, will then be worthy of consideration. But at present the Copeland measure appears to be the fair-haired boy. And, while it is early in the session, too early to conjecture even what might happen to so controversial a measure as the food and drug legislation, some action on the Copeland bill seems destined at this session.

It has been hinted, furthermore, that, should the NRA fall on evil days at the hands of the Congress, the labeling proposals for the canners fostered and nurtured and desired by the Administration might be tacked on to a

(Continued on page 160)



# New Regulations Promote Truth in Liquor Advertising

THE advertising regulations announced January 17 by Joseph H. Choate, Jr., Director of the Federal Alcohol Control Administration, are believed to embody higher governmental standards for truthful and informative advertising than are in effect for any other class of merchandise, and it is quite possible that they will serve as a standard for truth-in-advertising movements in other fields.

The regulations cover false advertising of distilled spirits and wine and also beer, ale, porter, stout and other products of the brewing industry. They were prepared after extensive public hearings and conferences with the code authorities of the alcoholic beverage industries, and with the organizations representing the national periodical, newspapers, trade journals and other advertising media.

Advertising regulations for the liquor industries have been under active consideration for approximately a year, and the publishing and advertising interests have been represented in a consulting capacity by the Legislative Committee of the Alcoholic Beverage Advertising Council, Inc. This committee is composed of Raymond Bill, chairman (SALES MANAGEMENT); Hartley W. Barclay (Conover-Mast); Ray Wilkin (New York Daily News); Clair Maxwell (Life Magazine), and Edward H. Ahrens (Hotel Management).

## Rules Cover All Media

Both the distilled spirits and wine and the beer false advertising regulations apply to advertisements through the medium of radio broadcast; periodicals and newspapers; signs, posters and display materials; outdoor advertising; advertising specialties and other written, printed and graphic matter, including trade booklets, menus and wine cards. However, menus, wine cards, signs, posters, display materials, advertising specialties, and outdoor advertising are exempt from some of the requirements.

In addition to the general prohibition against untrue statements, the regulations specify certain types of advertising that are prohibited. Among these are the failure to state the advertiser's name and address, although in lieu thereof the FACA basic permit number may be stated for purposes of identification. If the advertisement relates to any brand or lot of industry

products, it is required to state the class thereof, such as "whiskey," "rum," "brandy," "gin," "cordial," "liqueur," "beer," "ale," "porter," "stout," etc.; if a whiskey, it must also state conspicuously the particular type of whiskey, such as "straight whiskey," "blended whiskey," "a blend of straight whiskey," "spirit whiskey," and the like. The statements of class and type must be correct. The FACA has previously issued regulations setting forth standards of identity defining the classes and types of the common distilled spirits. Similar definitions for wine will follow.

No advertisement may contain any statement that is inconsistent with a statement made on the label of the product, nor may it contain any statement disparaging a competitor's product, or any statement as to curative or therapeutic effects that is untrue in any particular or tends to create a misleading impression. An advertisement may not misrepresent the place of actual origin, or misrepresent the actual producer of the product.

## Retailers' Ads Exempt

An advertisement may not contain the words "guaranteed," "warranted," "certified," or similar words, except in connection with a bona fide guarantee creating an intelligible and enforceable guarantee to the purchaser of the product. It may not contain such words as "bond," "bonded," "bottled in bond," "aged in bond," or "bottled under customs supervision," except that in reference to distilled spirits it may be stated that they are bottled in bond under United States or foreign law if that is the fact. Distilled spirits advertisements may not contain the word "pure" except as a part of the bona fide name of the industry member, and distilled spirits and wine advertisements may not contain such expressions as "double distilled" and "triple distilled."

Outdoor advertising already in place is exempt from the requirements of the regulations. The jurisdiction of the FACA does not extend to retailers of alcoholic beverages since there is no retail alcoholic beverage code in force. In consequence, the advertising regulations do not extend to retail advertisements unless the advertisements are supplied by a member of one of the industries subject to the jurisdiction of the FACA.

# What Food and Drug Bills Say About False Advertising

The first three bills to be introduced before Congress which have to do with regulation of advertising claims for food and drugs have markedly different clauses regarding false advertising claims, as shown below. An analysis of other features of the three bills, together with our Washington correspondent's convictions about the possibilities of passage for each, will be found on page 131.

Copeland Bill S. 5, introduced by Senator Copeland, N. Y., and supported by the Advertising Federation of America:

SECTION 601. (a) An advertisement of a food, drug, or cosmetic shall be deemed to be false if it is false or misleading in any particular relevant to the purposes of this Act regarding such food, drug, or cosmetic. Any representation concerning any effect of a drug shall be deemed to be false under this paragraph if in every particular such representation is not sustained by demonstrable scientific facts or substantial medical opinion.

(b) It shall be unlawful to advertise for sale in interstate commerce a drug represented to have any therapeutic effect in the treatment of cancer, tuberculosis, venereal diseases, heart and vascular diseases, as well as any other disease which may be added to this list by regulations as provided by sections 701 and 703; except that no advertisement not in violation of paragraph (a) of this section shall be deemed to be false under this paragraph if it is disseminated only to members of the medical and pharmaceutical professions or appears only in the scientific periodicals of these professions or if it is disseminated only for the purpose of public health education by persons not commercially interested, directly or indirectly, in the sale of such drugs.

McCarran Bill S. 580, introduced by Senator McCarran, Nev., and written by C. W. Dunn, counsel for the American Pharmaceutical Manufacturers Association. (The food clauses are identical.)

SEC. 17. An advertisement of a drug shall be deemed to be false (a) if it is false in any particular; or (b) if, while not false, it is misleading in any particular. Any representation in the advertisement of a drug regarding its drug value or effect shall be deemed to be false under this paragraph if it is not supported by reliable evidence sufficient to justify it and consistent with the purposes of this Act. In construing and enforcing this section a reasonable allowance shall be made for harmless trade puffing not offensive to the purposes of this Act.

Mead Bill H. 3972, introduced by Rep. Mead, N. Y., and backed by the Proprietary Association and others.

SEC. 5. False advertisements of food, drugs and cosmetics within the meaning, and for the purposes, of this Act are hereby declared unlawful.

(a) The Federal Trade Commission is hereby empowered and directed to prevent such advertisements in the same manner as that whereby it is empowered and directed to prevent unfair methods of competition in commerce by an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes";

(b) The Secretary shall report to the Federal Trade Commission all violations of this section, and shall furnish the said Commission, upon its request, scientific information as to the properties, qualities and effects of any food, drug or cosmetic;

(c) Upon a showing satisfactory to the Court that any advertisement so reported to the Federal Trade Commission is false or deceptive in manner or degree to render said advertisement, or the article of food, drug or cosmetic in the sale of which said advertisement is disseminated, imminently dangerous to public health, the District Courts of the United States and the Supreme Court of the District of Columbia are hereby vested with jurisdiction to restrain the dissemination of said advertisement pending the final determination of the proceeding in the Federal Trade Commission.



# Philco Sales Top Record With Revamped Advertising Policy



M. S. Hutchins (above), president of the Hutchins Advertising Company, Inc.



F. A. Hutchins (above) and F. I. Hutchins (left), vice-president and secretary-treasurer, respectively, of the firm their brother heads.



IN these days when most businesses are trying desperately to make a favorable comparison with so-called normal years such as 1923 to 1925 or 1926, it is news when a company smashes its best previous record. Sales of Philco Radio & Television Corporation in 1934 were approximately 20% greater than its best previous year. And Philco has been the leader in the radio industry for five consecutive years. They have a greatly improved product—but so too have most manufacturers of radios and other products. Philco had available the same type of sales tools last year as in 1929, but the way in which these tools were used had a decided bearing on the increase in sales.

It is the profound belief of Philco executives that one of the changes which is most responsible for their sales increases has been the advertising partnership which has been developed between the factory, the distributor and the dealer. There is a commitment on the part of each to spend money for advertising in direct ratio to sales, and *this commitment is part and parcel of the sales contract.*

The Philco distributor and dealer organization spent in 1934—and will spend in 1935—a sum approximately 2½ times as large for advertising as the sum which constitutes the factory appropriation for national advertising. The local advertising is under the control of each distributor but coordinated by the factory and the Hutchins Advertising Company, Inc., of Rochester, New York. A special promotion or advertising idea may be developed in

a certain distributor's territory. If it is successful it can then be worked throughout the division, or throughout the country, with the advertising agency acting as a clearing house.

Philco's 1934 advertising program involved not only extensive use of such national media as general magazines, newspapers and radio, but also an elaborate, carefully interlocked plan for promoting the consumer advertising and for tying up all advertising at the point of sale. Philco doesn't find it necessary to give its dealer helps away. Practically all of the promotional material for use by the dealer is sold to him.

**And MOST IMPORTANT**  
is your newspaper advertising

the national dealer can control the sale of any newspaper—whether in the business of and advertising. Philco has built for you the best and most profitable line of sales in the history of the industry, and through this plan you can control the sale of any newspaper—whether in the business of and advertising. It is a plan that is sold to you by the dealer, and it is a plan that is sold to you by the dealer.

**Increase Your Profits by Running A CONSISTENT CAMPAIGN IN YOUR LOCAL NEWSPAPERS DURING OCTOBER**

Philco Radio & Television Corporation has built for you the best and most profitable line of sales in the history of the industry, and through this plan you can control the sale of any newspaper—whether in the business of and advertising. It is a plan that is sold to you by the dealer, and it is a plan that is sold to you by the dealer.

- 1st** — ADVERTISE FOOTBALL
- 2nd** — ADVERTISE PHILCO RAY
- 3rd** — ADVERTISE COMBINATION OFFER OR OLDEST RADIO CONTEST
- 4th** — ADVERTISE TRADE-IN SALE

**ADS ARE READY — SEE NEXT PAGE**

Key to the success of Philco's current advertising campaign is the careful co-ordination of promotional activities of manufacturer, distributors and dealers. Above is a section of a broadside to dealers, describing various types of local promotion which can best supplement national advertising

The 1934 advertising program may be divided into these sections:

**Manufacturer's Expenditure:** General magazine advertising, including 26 full pages in *Saturday Evening Post* and 26 full pages in *Collier's*; also 26 half pages in *Saturday Evening Post*; 12 full pages in *Good Housekeeping*, *Cosmopolitan*, and *American Magazine* each; 26 advertisements in *Liberty*; 12 in *True Story*.

**Broadcasting:** Boake Carter program five nights every week on 22 specially selected key Columbia stations. Special program every Sunday, EAQ, Madrid, Spain.

**Newspaper Advertising:** Special Christmas advertisements in leading rotogravure newspaper sections and in black-and-white sections of other leading papers.

**Manufacturer Distributor Expenditure:** Twenty-nine cooperative newspaper advertisements in 189 leading dailies, and 12 cooperative advertisements in state and sectional farm papers.

**Manufacturer - Distributor - Dealer Expenditures:** Special newspaper advertising for "key account dealers," guaranteeing a certain yearly volume.

Window display service providing a series of window displays for all dealers.

**Distributor - Dealer Expenditure:** Newspaper advertising by individual dealers. Broad-sides of advertisements sent to all dealers every month; also special broad-sides with ads for special events and promotions. The variety of ads and ideas is usually sufficient to fit the needs of any dealer in any locality. However, on request, advertisements are specially prepared to meet any particular situation.

Other cooperative distributor-dealer activities include spot broadcasting, telephone directory listings, posters, etc.

**Dealer Expenditure:** Philco dealers are offered a great variety of special promotion material, which they order from their distributor, who in turn buys them from the agency. (A very few of these promotions are purchased by the distributor from the factory.)

**Special Agency Services: Dealer Broad-sides**—mailed monthly by manufacturer to regular Philco dealers. Mailed monthly by distributors to prospective Philco dealers. Mailed by Hutchins to newspaper advertising managers. Monthly broad-sides contain dealer newspaper advertisements; give strong selling on magazine, broadcast and newspaper advertising being done by manufacturer, newspaper and farm publication advertising being done by manufacturer and distributors; and show the available promotion material for dealer use. Also special broadsides from time to time showing dealer newspaper ads for special events and promotions.

**Dealer Bulletins**—Suggested bulletins are sent to distributors each week, which distributors mail on special dealer bulletin stationery to their dealers.

**Newspaper Publicity**—News stories weekly to distributors for release to all papers. Short wave time table and copyrighted "Arm Chair Traveler" story each week to 150 newspapers (by request).

**Layout Sheets**—Full-page layout sheets sent to newspapers along with "backbone" advertisements, showing arrangement of publicity and dealer tie-ups.

**Special Newspaper Cooperation**—Newspapers cooperate by giving their own windows for Philco displays, by carrying Philco business on their own trucks, by mailing letters to all dealers giving release dates of "backbone" ads, etc.

**Sales Contests**—For distributors' salesmen. Special broadsides, etc.

**Newspaper Promotions**—Newspapers run full-page advertisements telling how newspaper advertising promotes Philco sales. Also special sections. Also specials for dealer meetings.



The decentralized Philco advertising program is an outgrowth of an idea of the three (Frank A., Mosher Story and F. Irving) brothers Hutchins, of Rochester, who are the sole owners of the Hutchins Advertising Company, Inc., of that city. All had retail experience after leaving Dartmouth and from the inception of the agency, in 1922, they have handled a large number of retail accounts.

The Hutchins brothers discovered that many of the so-called national advertising agencies are not particularly enthusiastic about the preparation of "dealer help" material. They noticed that frequently local newspaper retail advertisements of nationally advertised products were made out of a national magazine advertisement by merely decreasing the number of dots in a half-tone screen, or substituting the dealer's name for the factory.

### When Dealer Helps Don't Help

Their retail store and retail advertising experience told them that, from a merchandising point of view, such methods were usually futile and wasteful. So they decided to build business for themselves by becoming specialists in the preparation for the manufacturer of copy for local use in a manner which the retailer would pursue if he had the time and the ability.

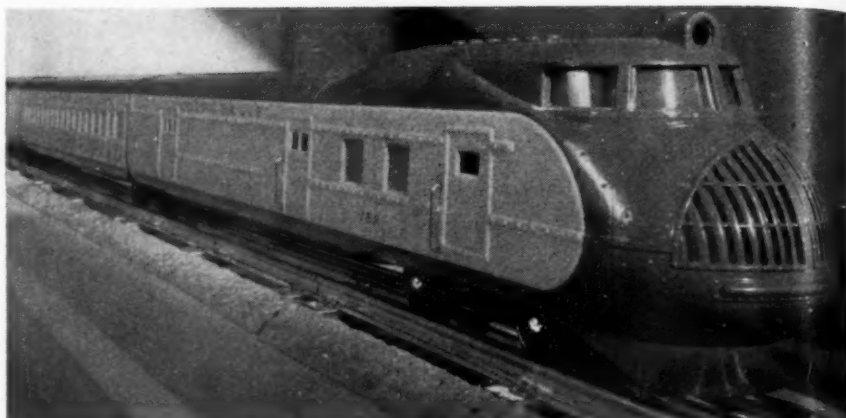
The going was slow. The first of the advertisements prepared and inserted by the Hutchins Advertising Company, Inc., had to be fully financed by retail dealers. Then came the second stage when distributors participated with dealers—and finally, as in the case of Philco, when manufacturer, dealer and distributor all participated in the advertising.

The winning of the Philco account started when the Hutchins Company did a good advertising job for a prominent Philco dealer; then for a group of dealers, and still later, on a co-operative basis, for a distributor and all of his dealers.

Early in 1930 Philco factory division managers became interested in the plan, and, as a result, began boosting for its adoption on a wider scale. Other groups of dealers and distributors took it up; but still the Hutchins Advertising Company got no part of the national advertising, which continued to be placed through Erwin, Wasey & Company, and, later, F. Wallis Armstrong.

Finally came the stage when Philco officials decided that the best results would come from incorporating a large part of the Hutchins plan as part and parcel of the Philco sales contract, and the decision to utilize this plan on a nation-wide basis.

[ 134 ]



A duplicate of the real thing, except in size, the toy train sells for \$19.50.

## Mickey Mouse and New Trains Help Lionel Out of Bad Business Bog

The Lionel Corporation, makers of toy trains and such, has worked itself out of a \$650,000 equity receivership in eight months.

Mickey Mouse and gal Minnie, together with the streamline rage in railroad trains and the improvement in Christmas business this Winter, aided good sales management to turn the trick.

It would be a good story if Mickey had done it all alone. The comic movie figure did enough, however, to win special mention by Judge Guy L. Fake, who dismissed the receivers in United States District Court at Newark, New Jersey, January 21, and handed the business back to its owners.

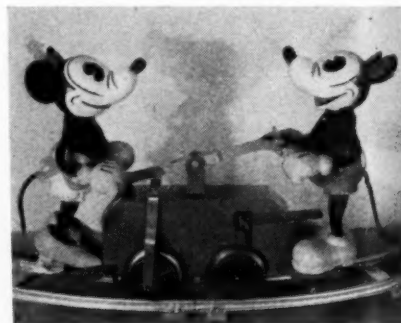
The facts are that Lionel, under an agreement with Walt Disney, Inc., made 253,000 sets of Mickey and Minnie on a tin wind-up handcar running humorously around a 27-inch circle of track and sold them mainly through department stores and chains. The public paid \$1 each for the sets. This item, however, constituted less than 5% of the total Lionel business. But it was a percentage that Lionel would not have had without Mickey.

A somewhat larger percentage of added business was in the form of streamline electric trains selling at \$19.50. The public interest in streamlining whipped up by Burlington, Union Pacific and other railroads during 1934, offered Lionel an opportunity in toy trains that it seized eagerly.

The general upping of Christmas retail buying did its bit for Lionel, too. The company's volume during the holiday period was at least 35% better than the Christmas before and the 1934 total was up 30% over 1933.

So, under the sales managership of Arthur Raphael, the company went into high, paying off a receiver's bank loan of \$350,000 on November 30—two months ahead of maturity—and \$296,000—the full obligation to creditors—on December 31.

One of Lionel's big problems is seasonability. About 95% of ultimate sales to the public are made between Thanksgiving and Christmas—aided by store demonstrators and by elaborate display sets produced at the factory during Spring and Summer.



Kids bought 253,000 of these.

The company is striving to level up its year's selling with hot-weather products. This year it has a novel Easter item called the Peter Rabbit Chickmobile—a take-off of the Mickey Mouse handcar—and a line of spring-driven boats. But its 12 salesmen working out of New York, Chicago and San Francisco devote most of their early months each year to good-will tours covering the thousands of outlets from coast to coast.

In past years Lionel advertising—trade space during the whole year with consumer copy concentrated into September, October, November and December—has run as high as \$250,000. Archer St. John, advertising manager, looking hopefully into 1935, says this year's budget will be the largest in company history. It will be placed through Al Paul Lefton but has not yet been apportioned.

SALES MANAGEMENT



# SM's Chicago Reporter Finds Hotpoint's New Show Hot Stuff

Somehow there's a suspicious air of gaiety about this report from Lester Colby, who decided that a heart to heart letter to the boss was the only adequate medium for the expression of his wrought-up emotion about a certain new sales plan.

Mr. Ray Bill, *Editor,*  
SALES MANAGEMENT.

DEAR BOSS:

REMEMBER, you told me to hotfoot it over to Hotpoint and get some hot pointers on this new selling scheme they've worked up? It's a sort of show they're taking out on the road. They call it "The Load Builders." It was a swell assignment. Lots of fun, good eats, some dang good-looking gals and, well, if you've got any more assignments like this one it's OK by me.

Edison General Electric Appliance Company, Inc., is out on the edge of the prairie a bit south by west of Chicago. They've got a big plant out there with a little theatre in it. The show started at 10 a. m. and it was still going at 4:30 p. m. It's a bit like the "Strange Interlude"—in elapsed time; mindful of those Chinese plays that take a week.

## Plenty of Flesh and Flash

They use films, silent and sound; a small cast of people, in the flesh; records and mikes; some clever stage set-ups, stoves and what not. They're sending eleven sets out on the road and have more than 300 presentations scheduled already. There'll be more.

When the show moves into a town the idea is to have the utilities company call in all its salesmen, and in some cases they'll come from 100 miles around. An official of the company will speak a little piece and the district manager will explain that the show has as its idea "To Help You Sell."

Then come "Hotpoint News Flashes." To get these pictures Hotpoint sent motion picture photographers out over the country. They took sound pictures of executives who did some specially fine jobs of selling electric stoves in 1933.

Did you ever try to take notes in a dark theatre? I tried. It can't be done. Not when the show's moving as fast as this one. But these flashes were lively and full of enthusiasm. One of the chiefs, from down in the

Tennessee Valley Development district, told how he had sold so much electric equipment last year that he went to Washington to tell President Roosevelt about it.

He told how tickled the President was about it. There was a lot about what "I" said to the President and what the President said to "me." Apparently they got pretty chummy about it. Anyway, a fat man sitting next to me in the dark said:

"I gather this bird saw the President."

Well, after that, George A. Hughes, president of Edison G. E. Appliance, appeared as a sort of Clark Gable, or maybe it was Wallace Beery. He was there in the films as big as life and almost as natural. If he hadn't chosen to be daddy of the electric range (more than a million sold in the last twenty years) he might have been a celluloid star. Mr. Hughes' pep talk is done on the sound channel. The film goes out with all eleven "companies."

Pierre L. Miles, sales manager, is the next on the program. It got him a bit fussed to sit there watching himself do his stuff. After wiggling around in his seat a while he remarked, in whisper,

"I'm good, what? But, honest, do I look like that?"

## "In Person" Whams 'Em

W. A. Grove, advertising manager, and Edward Badenoch, a salesman, then put on a personal appearance. The salesman took the part of a doubting Thomas who couldn't see how he could sell electric stoves for \$150 when "fuel type" stoves can be had for \$50.

He was all "let down."

Mr. Miles then gave a chalk talk to show the real value of electric cookery. He started out with two stoves, one of each type, putting a value of \$50 on each. To the credit of the electric stove he added other values as follows:

Coolness, \$15; cleanliness, \$15; convenience, \$15; healthfulness, \$15; safety, \$15; better results, \$15, and release of time, \$15. With these ad-

ditional values, he said, the electric stove is worth \$155.

Then Miss Frances Weedman, culinary expert, stepped in to prove it. She told how under actual tests, starting in a kitchen on a hot day last summer, temperature in the room 80 degrees, she cooked comparative meals on various types of stoves.

Using a coal stove, she said, when the meal was done the room temperature had gone up 16 degrees; a flame type stove raised the heat 13 degrees; another, insulated, had raised it 4 degrees. But in the electric equipped kitchen the temperature only rose one degree.

She had three separate, complete meals cooking in a modern electric range, under a close "tent" of cellophane to retain the heat. On top of the oven, under the cellophane, was a saucer filled with roses. When the dinner was cooked the roses were still fresh.



Frances Weedman, who bakes cakes while knocking reporters' hearts into a cocked (or at least a high) hat.

Miss Weedman is a charming demonstrator. She has a swell smile and fresh, pink cheeks. Your correspondent edged up after the demonstration pretending he was much interested in the food she had cooked. He peeped and sniffed. She said:

"If you like, grab a drumstick."

With this encouragement he hinted that he'd like to see a complete home demonstration. No results.

Apparently Frances is immune to suggestions and gray hair.

David C. Marble, production chief, gave a talk on styling and building a modern electric range. It was a complete story of how value and beauty are built in. He explained how the buyer of a new range gets \$1,000,000 worth of research and development with his stove.

Then J. C. Sharp, a laboratory fellow, gave a demonstration called

(Continued on page 163)



## ADVERTISING LINAGE IN

• 1923 •	• 1924 •	• 1925 •	• 1926 •	• 1927 •	• 1928 •
Times 24,101,226	Times 26,283,924	Times 28,200,444	Times 29,788,828	Times 29,710,606	Times 30,641,930
M. World 17,370,838	M. World 16,858,354	M. World 17,237,062	H. Trib. 18,785,853	H. Trib. 19,133,684	H. Trib. 19,639,113
Eagle 15,783,676	Eagle 16,659,944	Eagle 16,718,464	Eagle 17,899,284	Eagle 17,282,915	Eagle 18,587,608
Journal 13,011,766	Amer. 14,906,698	H. Trib. 16,525,824	M. World 17,658,831	Sun 16,525,102	Sun 16,608,149
Amer. 12,997,964	Journal 14,561,374	Journal 15,057,218	Sun 16,245,237	M. World 15,488,876	M. World 14,139,141
Herald 11,067,210	H. Trib. 13,306,960	Sun 14,705,916	Journal 14,758,009	Journal 14,001,546	Journal 14,039,215
Sun 10,689,292	Sun 13,268,308	Amer. 14,183,094	Amer. 13,112,851	Amer. 12,680,116	Amer. 12,436,180
Tribune 9,590,400	Telegram 8,805,720	E. World 8,921,428	E. World 9,842,432	E. World 9,891,749	<b>NEWS</b> 10,432,709
E. World 8,258,736	E. World 7,928,134	<b>NEWS</b> 6,832,472	<b>NEWS</b> 7,881,770	<b>NEWS</b> 9,311,191	E. World 9,940,209
St. Union 7,481,310	St. Union 7,275,066	Telegram 6,655,486	Bk. Tms. 6,982,716	Bk. Tms. 6,087,186	Telegram 5,805,083
Telegram 7,035,650	<b>NEWS</b> 5,850,580	St. Union 6,365,280	Telegram 5,803,533	Telegram 6,063,903	Bk. Tms. 5,565,738
Mail 6,568,024	Bk. Tms. 4,696,516	Bk. Tms. 5,255,662	St. Union 5,611,732	Post 5,505,890	Post 5,551,377
<b>NEWS</b> 4,392,034	Post 4,434,416	Post 5,059,968	Post 5,181,281	St. Union 5,460,790	St. Union 4,955,951
Bk. Tms. 4,136,330	Herald 2,355,910	Mirror 3,926,302	Mirror 3,699,719	Graphic 3,287,544	Graphic 3,082,829
Post 4,135,756	Mirror 1,875,438	Graphic 2,186,676	Graphic 3,699,155	Mirror 3,138,857	Mirror 2,013,013
Globe 3,825,302	E. Bull. 1,173,542				



In 1934 . . . **The News**  
among 11 New York City Newspapers was  
**Second** IN ADVERTISING LINAGE

exceeded only by the New York Times  
(another good newspaper published here)

But was second to none in advertisers' expenditures!

Are you spending enough money in The News?

**NEW YORK—1923 to 1934**

• 1929 •	• 1930 •	• 1931 •	• 1932 •	• 1933 •	• 1934 •
Times 32,378,135	Times 26,624,102	Times 24,405,376	Times 18,126,997	Times 17,299,293	Times 18,378,352
H. Trib. 21,011,146	H. Trib. 17,524,038	H. Trib. 16,352,736	Eagle 13,364,122	<b>NEWS</b> 13,914,016	<b>NEWS</b> 15,850,879
Sun 18,156,668	Sun 15,896,856	Sun 15,495,357	<b>NEWS</b> 13,279,947	Eagle 13,785,491	Eagle 15,087,205
Eagle 17,907,895	Eagle 15,877,551	Eagle 15,174,032	Sun 13,165,927	Sun 11,978,003	H. Trib. 12,695,996
Journal 14,545,021	Journal 13,366,656	<b>NEWS</b> 15,135,308	H. Trib. 11,863,946	W.-Tel. 11,323,761	Sun 12,253,852
W. World 13,650,242	<b>NEWS</b> 13,209,975	Amer. 13,803,734	Amer. 11,701,013	H. Trib. 11,203,082	W.-Tel. 12,083,672
<b>NEWS</b> 12,314,661	Amer. 10,794,477	Journal 13,489,336	W.-Tel. 11,598,449	Amer. 10,735,077	Amer. 11,605,586
Amer. 12,312,864	M. World 10,627,224	W.-Tel. 12,989,265	Journal 9,697,524	Journal 8,147,719	Journal 8,605,815
E. World 10,279,839	E. World 9,345,790	Bk. Tms. 6,159,799	Bk. Tms. 5,440,351	Times U. 4,466,837	Times U. 4,710,933
Post 6,193,460	Telegram 5,830,406	Post 3,834,591	Mirror 2,928,080	Post 2,526,301	Mirror 3,373,754
Telegram 5,938,826	Bk. Tms. 5,209,529	Mirror 3,203,341	Post 2,834,155	Mirror 2,386,980	Post 2,671,474
Bk. Tms. 6,634,580	Post 4,655,837	St. Union 3,054,782	Graphic 1,174,126		
St. Union 4,722,010	St. Union 3,385,871	Graphic 2,770,191	St. Union 484,589		
Graphic 3,960,618	Graphic 3,344,327				
Mirror 2,617,984	Mirror 2,644,755				

SOURCE: New York Evening Post  
for the years 1923-1927; Media  
Records for 1928-1934.

**THE NEWS**  
NEW YORK'S  PICTURE NEWSPAPER



## Farm Papers and Spot Radio Reach Farmers for Mantle Lamp

**M**ANTLE LAMP COMPANY OF AMERICA, of Chicago, whose business comes almost entirely from the farm areas, has broken all sales records for its twenty-seven years of business in the last two years. During the entire depression era it has never cut one dollar out of its advertising appropriation and it has never experienced any sales slump worthy of the name.

Increase in sales volume for the fiscal year ending April 30, 1934, was 40% over that of the preceding year. Since then business has been averaging about 30% over that record.

This company does not sell a "cheap" item. Its main line is the widely known Aladdin kerosene mantle lamp. Prices range from \$4.95 to \$13.00. Chief "competing" items are low-priced old-style kerosene lamps which sell for from 50 to 60 cents, as a rule.

"Our best territory has been, is and probably will be the great agricultural Central West, the upper part of the great Mississippi Valley," Bert S. Presba, vice-president, told SM last week. "Our greatest sales gains, however, in the last few months have been in the South. Except for that limited district, mainly in the plains belt, where the drought was extraordinarily severe last Summer, the farmer is in better condition today than he has been for years.

### Well Chosen Dealers Stick

"There are approximately 6,500,000 farm homes in the United States. We have sold them, in the last 27 years, more than 4,000,000 Aladdin lamps. Only one farm home in eight has electricity. That means that fully 5,775,000 homes depend on kerosene for lighting. These homes, to be properly equipped, ought to average six lamps to a home or about 34,650,000 lamps.

"The business was started 27 years ago with a one-inch advertisement which appeared in a farm paper. It was continued as a mail order business until 1928, when we decided to discontinue mail orders entirely and sell through franchise dealers. We made the switch-over in three months and in that time installed more than 10,000 dealers.

"We selected our dealers with the utmost care, one to a town except in the larger centers. Our first call was made on the local banker. Our field man would say to him, 'I have come to you to ask your advice!' He told him we wanted a progressive hardware man

to handle our line. He said we wanted one who would pay his bills. We wanted a safe dealer who had energy, push and some imagination.

"His second call was on the local newspaper. He talked to the publisher or some executive of the newspaper who knew local dealers and conditions. He told him we were not seeking the hardware dealer who might have the finest store front or even the biggest business. We did want to find the hardware dealer who had the best farm trade.

"Our field men talked with other

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Based on an interview by  
Lester B. Colby with

**BERT S. PRESBA**

*Vice-President*

*Mantle Lamp Company of America,  
Chicago*

---

citizens of the town. If these local men pointed their fingers at one particular dealer, our man approached him. The dealer was told what we could do for him and what we expected him to do for us. If the dealer selected could not be signed up at that time our man left the town without signing anyone. Later he would come back and try again.

"The result is that our credit losses, even in the darkest years of the depression, have been practically nil. We have had to cancel the franchises of very few dealers.

"We have preferred, from the very beginning, dealers who carried specialty items in other lines. We think they are more vigorous and better salesmen than those who don't. We have preferred, too, dealers who advertised; men who went out after business.

"During our early years we advertised almost exclusively in farm papers. When radio came in, we added that. Our company was the first to sponsor the barn dance program over WLS. As the barn dance program grew we cut in on the program for a half-hour or so each evening.

"We early began to sponsor the market reports over KDKA, Pittsburgh. We now use approximately 100 stations. These are scattered from Bangor, Maine, to Spokane, Washington, and as far south as New Orleans. We use two Canadian stations. We do not use the chains because we prefer spot

broadcasts in the farm sections and desire stations that have special programs aimed at the farmer.

"We use stations in Chicago, Washington, D. C.; Denver, Detroit, New Orleans, Kansas City, Minneapolis, Salt Lake City, San Antonio and Dallas. But we also use stations in places as small as Carthage, Illinois; York, Pennsylvania; Beaumont, Texas, and Cape Girardeau, Missouri. We are not after the greatest number of listeners but the greatest number of farm listeners. That's why we use a station in Decorah, Iowa, but none in New York City.

### Farm Market Better Than Ever

"When many business organizations were cutting their advertising appropriations, two or three years ago, we said, 'If business is slipping we must advertise as much as ever to get as much business as possible.'

"When our business remained good and got better, compelling us to operate our factories on increased schedules, we did not say 'Business is good. We can reduce our advertising.' Instead of that we said, 'We must continue our advertising so that business will not only remain good but may be even better.'

"I have the utmost confidence in coming farm business. We are in very intimate touch with farm conditions. With the single exception of the farmers in the drought area, the farmer is today, with the best prices in years for his goods, in the best buying condition he has been in in a long time. Good rains have been common throughout the drought areas this Fall. Heavy snows have followed the rains. Drought has reduced the carry-over of grains. The farmer has hope of good crops" and good prices in 1935.

"It is my opinion that the farmer, in spite of the fact that he is paying off heavy debts, will buy much. It is very possible that the farm market will be bigger and better in 1935 than it has been in ten or a dozen years."

### Survey of Spending Power to be Published April 10

Sales Management will publish on April 10 a survey of Spending Power, giving for every county in the United States figures on Population, 1934 New Car Sales both in number and percentage, a breakdown of Retail Sales not available in published Government documents, and 1934 Spendable-Money Income.

Much of this information will also be printed for all cities above 10,000 population and many columns of additional basic market data be available by states.



# Exit, Pinaud's Barber: Products Go Feminine in Sales Appeal

**Y**IELDING to demand on the part of American women, Pinaud, perfumers, after thirty years or so of stressing their masculine specialties primarily, are going back to feminine appeal. The transition, inspired by the increasing demand for Pinaud products by feminine consumers, is a return rather than a new departure. Although within the past three decades the firm's advertising in this country has stressed its hair conditioner for men, the seventy-year-old house originated in Paris as perfume specialists—and thirty years ago was known largely for its women's products.

Although they will continue to serve masculine elegance with their Eau de Quinine, several of their other products, particularly the Lilas de France skin lotion and "Six-Twelve" pomade, are being presented now from the feminine viewpoint.

Within a few months, the French barber with the pointed mustaches and the insinuating moue, a landmark of the American barber shop scene for decades, has completely disappeared from the picture. The new Pinaud car-cards—a transitional stage—have adopted a rather whimsical attitude toward this whole falling hair business. Two little heads, one luxuriously crowned and the other completely bald, confront each other; the caption is "Hair Today, Gone Tomorrow—Avoid This Tragedy."

Back of the new slant, which has been exciting much comment around town, is the only Frenchman in the advertising business in the U. S.—Paul Frank, account executive for Pinaud in the Blaker Advertising Agency.

According to Marcel Michelin, vice-president of Pinaud, the next step will be the complete embracing of the woman's viewpoint, the new advertising stressing the Lilas de France skin lotion and the "Six-Twelve" eyelash beautifier. Soon to appear in the new Pinaud ads and displays is an exquisite and romantic pastel, interpreting the "Lilac Time" theme, made especially for the concern by Pierre Brissaud, well-known French painter.

"What happened," Mr. Michelin said, "is simply the old familiar story. Woman, eternally on the prowl for

new and better aids to beauty, discovered or—rediscovered—that the products on husband's shelf in the medicine cabinet really did as much, if not more, for her as for him."

In the first place, Pinaud's Pomade Hongroise, for years sold as a masculine mustache wax, began to shoot up in sales tremendously three years ago, with no advertising or promotion. The reason was unearthed—eventually Madam had realized that it was perfect for the eyelashes and brows. As a result the "Six-Twelve" beautifier, with no promotion, in three years became one of Pinaud's three leaders.

In the second place, it was learned from dealers that an increasing proportion of sales of the Lilas de France, hitherto sold almost exclusively as a men's shaving lotion, were being made to women.

"Pinaud," said Mr. Michelin, "had no choice. It would have been foolish not to follow the trend. Our new campaign, begun this Fall, is designed to present principally through radio, display and newspaper advertising, through promotion and publicity, the feminine appeal inherent in our major products, and above all in our skin lotion, Lilas de France. Women themselves have given us the clue to its remarkable potentialities. Our advertising will present it from now on as the world's most versatile perfumed skin lotion—suitable to both men and women, but with special virtues for the feminine toilette."

The radio program, a musical review called "Lilac Time," which opened December 1 on the WABC-Columbia network

with a hook-up of 15 stations, proved itself so successful in a month that the coverage was more than doubled and 19 stations embracing the Far West and the Pacific Coast were added. The program presents Arthur Murray, nationally known dancing master; Earl Oxford, young baritone lead of "Life Begins at 8:40," and the Chevaliers' Octet, a male chorus. The dancing lesson feature, unusual on the air, has elicited a most favorable response.

"December, our first month, brought us 25,000 letters on the original network of 15 stations," Mr. Michelin said. "Interestingly enough, we found that one-third of the letters written in response to our gift offer of Pinaud products also requested the chart offering our dancing lesson, and many praised it specifically."

"While it is yet too early to gauge accurately a sales reaction, soundings taken in the market have indicated a definitely brisker movement of Pinaud goods," the vice-president asserted. "A representative who has visited one shop a day also reports that shopkeepers find a marked spurt in Pinaud sales. There is no doubt that the public, particularly the feminine public, is responding to the new slant in Pinaud advertising and merchandising."



The "lilac time" pastel above, soon to appear widely in Pinaud advertising designed to appeal to women, replaces the French barber, below, so well known that in speak-easy days almost any inebriated gentleman could get a laugh by striking a pose and mincing "Scurf!"





# Meat Packers and Hungry People Worry Dog Food Makers

Who is going to eat the nation's huge volume of dog food—dogs or humans? And how big a factor are meat packers going to become in canning it?

These problems worry many of the 156 manufacturers who produced \$40,000,000 worth of dog food in 1934. And they worry principally because of the 6-point line, "Fit for human consumption," which 16 of them print on can labels to add sales appeal for pet lovers. The line does more. It puts dog grub onto people's tables.

Take the word of L. I. Becker for it, about 20% of last year's canned output was consumed by humans. He is secretary of the National Dog Food Manufacturers Association and has made some studies of the problem himself, hoping something can be done to save dog food for dogs and protect humans against malnutrition.

Half the 20% was shipped out of the country, mainly to Mexico, says he. The other half stayed within our borders, purchased principally by Mexicans in the Southwest, negroes in the South and people suffering from depression in various centers. It competed at 6 to 10 cents a can with hash at twice the price—sometimes produced by the same canners, but of different ingredients.

Meat packers created the problem. They can under the eye of the U. S. Bureau of Animal Industries and have the right to use on their labels: "U. S. Inspected and Passed; Fit for Human Consumption." Although they produced only about 25,000,000 of last year's 382,000,000 cans of dog food their bit of 6-point type disturbs the whole industry.

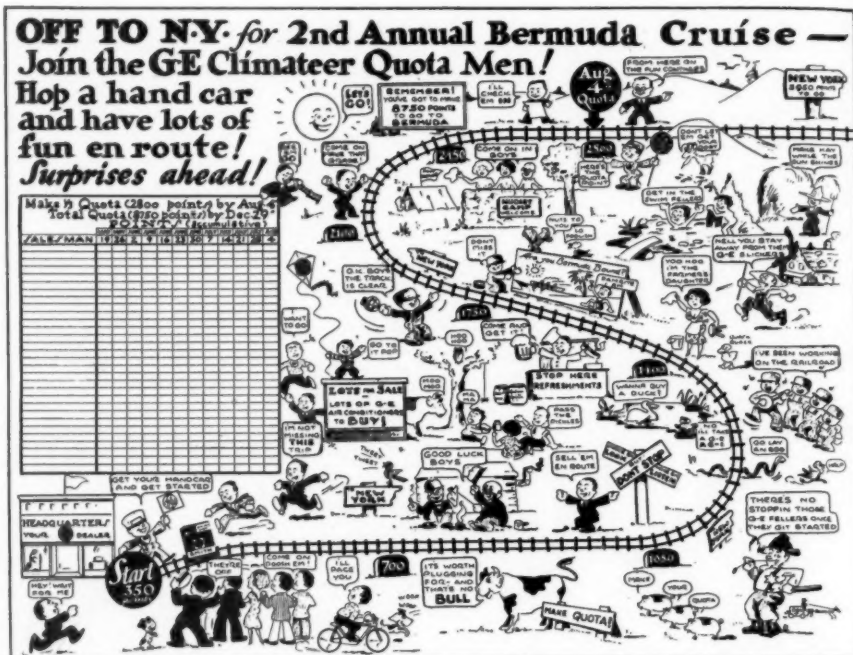
## Big Shots Enter Field

And, it must be added, the entry of Swift, Armour and smaller packing fry into the dog food business, which may compensate them for their loss to synthetic fertilizers, harasses Chappell Brothers (Ken-L Ration), Simpson (Doggie Dinner) California Animal Products Co. (Calo), who together can 40% of the nation's dog food, and gives certain worries to the association.

Up to now the big packers have not plunged deeply into dog food. But they are trying it out. It may prove a profitable outlet for lips, melts, lungs, kidneys, hog livers, ground fresh bone and so on down closer to the squeal which, traditionally, is all the packer cannot sell. Morrell of

Ottumwa, Iowa, for months has been doing a national job of advertising and promotion for "Red Heart" in order to get nation-wide distribution. The others have only pecked at markets here and there. But their volume is growing—and the 6-point line on some of their cans is becoming a market factor that leads dog food into diverse channels and queer quirks.

Possibly the new Council on Chemical Standards in Dog Food, which goes to work February 1, will be able to lay the groundwork for a new peace in the industry. Meantime 156 different kinds of dog food both in cans and in dry form continue to stream from factories big and little. Some of it really is fit for human consumption. But some is so low in nutritional value that the "uplift" factors in the business hope it can be changed before many more people buy it for hash—blindly selecting any kind whether "fit for human consumption" or not.



Grins were made a part of the score sheets in GE contest.

## GE Salesmen Bask in Bermuda as Reward for Busting Quotas

The Climateer's Club, comprising 56 of the 78 salesmen of the air conditioning department of the General Electric Company who earned their quota of sales during 1934, returned January 14 from a seven-day trip to Bermuda. It was their second annual cruise, the reward of winning a contest which started on April 2 and ended December 29.

To earn the quota of 8,750 points, the salesmen were required to sell the equivalent in credit points of 25 oil furnaces during the period of the campaign. Each sale of an oil furnace counted for 350 points. Other air conditioning equipment, including gas furnace sales, also counted toward the quota.

Over 1,000 salesmen from all over the United States took part in the campaign. More than 100 dealers

were represented and, with the aid of sales promotional material supplied from New York headquarters, a great amount of enthusiasm was created among the men which resulted in a high rise in sales.

To stimulate business and give more salesmen the opportunity to make the Bermuda trip, all men who sold 15 oil furnaces between August 20 and December 29 were entitled to join the quota men. The winners of this division were called Tenderfeet and although they enjoyed the privilege of joining the Climateer's Club, they were not presented with the same jeweled pin, and did not have the choice of accommodations on board ship. Climateers who had made their quota for the second year had another jewel added to their pin.

The success of the campaign was

SALES MANAGEMENT



due to the efforts of Arthur C. Roy, manager of advertising and sales promotion of the air conditioning department. Last year, as sales promotion manager, Mr. Roy successfully completed the "On the Line" campaign, which resulted in more than 62 Climateers taking the first annual cruise to Bermuda.

The campaign which recently ended was stimulated by promotion material created by Mr. Roy. A series of three cartoon posters, 3 by 4 feet in size and drawn by Doc Rankin, were distributed to all the dealers every three months. The idea behind the posters was to get the salesmen to New York where they would board the "Monarch of Bermuda" January 5. A continuous railroad track, starting from the dealers' headquarters, carried on throughout the three posters and as each new one was added it coupled up with the tracks on the preceding poster.

Each salesman was represented on the cartoon map by means of a small cutout in the form of a handcar. The milestones represented the points gained by sales and the handcar with the salesman's name was advanced along the track. Humorous cartoons scattered all over the poster kept the salesmen in good humor as they strove to reach New York.

### Weekly Charts Keep Steam Up

A sales chart, covering weekly periods, was also part of the poster and each week the dealer recorded the accumulative number of points.

Supplementing the giant posters, a weekly bulletin was issued entitled, "The Bermuda Breeze." In this publication the weekly standings of all the salesmen were listed, besides sales talks by Bill Scherff, in charge of oil furnace sales; Bob Thurston, in charge of air conditioning sales, and Jess Welch, who heads the gas furnace sales department. Cartoon broadsides on Bermuda and stories by Doc Rankin were also part of the bulletin and created much interest.

Accompanying the group was the only woman member of the Climateers Club, Miss Gertrude Swanson, a supervisor from Kansas City, Missouri.

At the Climateers' banquet, held in Bermuda, the following officers were elected for the coming year: President, William Wheeler, New York; vice-president, John Caine, Albany; secretary, Kenly Bell, Newark; sergeant-at-arms, Hugh McKeegan, Brooklyn.

Tentative plans are now being formulated for the third annual cruise taking Climateer quota winners on a trip early in 1936 to Havana.

FEBRUARY 1, 1935

## Phillips Introduces 5-Cent Soups in Aggressive New York Campaign

In large space advertising in 19 newspapers in the New York metropolitan area, and in a twice-a-week radio program there, Phillips Packing Company, Cambridge, Maryland, has started to promote four of its "Southern soups" at 5 cents a can. These four are tomato, vegetable, bean and pea. Other Phillips soups, say the ads, "sell for a penny or two more."

Thus, with a lower price, Phillips seeks to diminish the dominance of Campbell Soup Company in the largest market. Campbell's tomato soup is now being sold in New York at three cents for 20 cents. Other Campbell soups are 9 and 10 cents a can.

Against the competition in recent years of Heinz and Hormel, selling their soups in New York usually at two for 25 cents, Campbell has stood up pretty well. The arrival of an aggressive lower-priced competitor, aided by a year-round advertising campaign, however, may alter the situation.

Under the direction of E. J. Rinaud, broker, Phillips has gained for its soups about 75% distribution in the metropolitan area. It has got its products into most of the leading chains.

### Use Dailies, Radio

The advertising campaign, under John Bennett Bissell of Paris & Peart agency, employs weekly insertions in all the newspapers—five columns by 250 lines in three New York City evening papers, and four columns by 200 lines in the sixteen other New York City, Long Island, Westchester and New Jersey papers. Initial orders cover five weeks. It is the intention of the Phillips Company to run the campaign for 45 weeks, with its soups and other products being promoted later. The radio program presents the "Phillips Singing Chef" Thursday and Friday mornings over WABC.

Displays and large window, counter and truck posters, in eight colors are being used by dealers. In a broadside to the 24,000 grocers in the New York metropolitan area, the Phillips Packing Company pointed out that 119,997,000 cans of soups are purchased annually there. With a total of 10,000,000 messages weekly, in class and mass newspapers, and "a retail price within the reach of every food buyer," Phillips intends to win more of this volume.

The company, headed by Col. Albanus Phillips, has increased its volume consistently—1934 sales having been at new high levels. Phillips soups

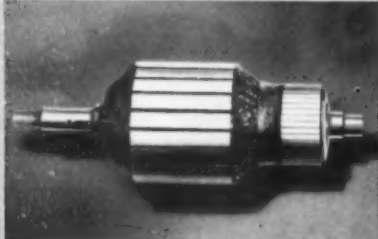
and vegetables are now being sold from coast to coast.

The newspaper list for the 5-cent soup campaign includes: New York Journal, Sun, World-Telegram, Daily News and Herald-Tribune; Bronx Home News, Brooklyn Eagle, Jamaica Press, Mamaroneck Times, Mt. Vernon Argus, New Rochelle Standard Star, Ossining Citizen-Register, Peekskill Star, Port Chester Item, Tarrytown News, White Plains Reporter, Yonkers Herald-Statesman (these last nine being sold together as the Westchester Newspapers), and Newark News and Paterson News.

### General Mills Opens School To Boost Bread Sales

Local bakers can build up sales volume in "specialty" breads—potato, new types of rye, crusty "old-fashioned" kinds and the like—without losing other bread sales, General Mills tells the industry. General Mills has tried out the idea in two test cities of 100,000. Now the company starts a school for bakers at its mills in Minneapolis. First announcement in *Bakers Weekly*, January 26, says the school begins April 8 and runs in 10-day terms. Any baker may send a man at no cost beyond traveling and living expenses. The school teaches bakers both how to make the specialties and how to merchandise them.





Allan Brown

# "Business Avenue Sp

Says Allan Brown, President of the National Industrial Advertisers Association and the Technical Publicity Association, as a Director of the Association of National Advertisers and as a member of the Executive Committee of the Advertising Federation of America.

Allan Brown has been a discriminating buyer of business paper space for twenty years. In addition to doing a superlatively good advertising and promotion job for the Bakelite Corporation he has given generously of his time to professional associations. He has served as President of both the National Industrial Advertisers Association and the Technical Publicity Association, as a Director of the Association of National Advertisers and as a member of the Executive Committee of the Advertising Federation of America.

**BAKELITE** is known as **THE MATERIAL OF A THOUSAND USES**—from teething rings to timing gears, from arrows to abrasive wheels, from varnish resins to vanity cases, from desk tops to dentures.

The illustrations represent typical applications of each of the six broad classifications of Bakelite materials.

The Kellogg hand set telephone of Bakelite Molded; the Gilbert Rohde table with Bakelite Laminated top; a yacht protected with a coating based on Bakelite Synthetic Resin; a fast-operating grinding wheel bonded with Bakelite Resinoid; a denture formed from Luxene—a new Bakelite Resinoid; a Revolite raincoat, processed with a flexible resinoid; an armature winding with protective coating of Bakelite varnish of the baking type; an incandescent lamp bulb sealed to its brass base with Bakelite Cement; and a group of brilliant jewelry items fashioned from the cast resinoids.

The company does not make finished materials. Its sales promotion and advertising is of an educational and sales-stimulating nature—the creation of a demand for Bakelite by showing how it can be used to better existing products or in the fabrication of new products, new designs.

## THESE GOOD BUSINESS PAPERS BUILD BUSINESS

The sixth of a series sponsored  
by these publications:

AMERICAN BUILDER and BUILDING AGE, Chicago  
ARCHITECTURAL RECORD, New York  
AUTOMOTIVE MERCHANDISING, New York  
BAKERS REVIEW, New York  
BAKERS WEEKLY, New York  
BOOT AND SHOE RECORDER, New York  
BUILDING SUPPLY NEWS and HOME APPLIANCES, Chicago  
CHAIN STORE AGE, New York  
CHEMICAL and METALLURGICAL ENGINEERING, New York  
CONFECTIONERS' JOURNAL, Philadelphia  
DOMESTIC ENGINEERING, Chicago

DRY GOODS ECONOMIC, New York  
ELECTRICAL DEALER, New York  
ENGINEERING and ARCHITECTURE, New York  
FLEET OWNER, New York  
HARDWARE AGE, New York  
HARDWARE RETAILER, New York  
HOTEL WORLD-REVIEW, New York  
HOUSE FURNISHING, New York  
ICE CREAM TRADE, New York  
IRON AGE, New York  
JEWELERS' CIRCULAR, New York



# Business Papers Provide an Economical Avenue to Specific Markets"

OWN, Advertising Manager, Bakelite Corporation

**"B**USINESS and class publications provide the advertiser with an economical avenue of approach to specific markets. They also give the advertiser an opportunity to custom-build his advertising copy so that it is in tune with the subject matter of the editorial columns.

"For twenty-five years Bakelite Corporation has advertised in hundreds of business papers covering numerous industries. They have served as a spear head for our entire advertising and sales promotion campaign.

"A business paper that is properly conceived and well edited renders a valuable service to the industry or profession which it covers. By maintaining a high rate of reader interest, it provides the advertiser with a mental market place for his wares, where the buyer meets the seller on the common ground of mutual interest."

*Allan Brown*

ECONOMY  
DEALER  
AND JOURNAL, New York  
New  
GE. Ne  
ETAILER  
REVIEW  
HING New York  
ADE New York  
w York  
CULAR New York

MACHINERY, New York  
MILL AND FACTORY, New York  
NATIONAL PETROLEUM NEWS, Cleveland  
NATIONAL PROVISIONER, Chicago  
OIL AND GAS JOURNAL, Tulsa  
PROGRESSIVE GROCER, New York  
RAILWAY ELECTRICAL ENGINEER, New York  
REFINER AND NATURAL GASOLINE MANUFACTURER, Houston  
RUG PROFITS, New York  
SALES MANAGEMENT, New York  
STEEL, Cleveland  
TIRES, New York





# When the Sales Manager Has the Itch to Use a Blue Pencil

Far be it from us to deny the sales head of the business the prerogative of criticizing advertising copy from his own practical point of view, but we do think this earful from Ayers' copy chief might be taken seriously to heart by many men on the selling side of the fence

BY T. HARRY THOMPSON

Copy Supervisor, N. W. Ayer & Son,  
Philadelphia, Pa.

THERE have been a great many definitions of advertising—some of them profound, some of them inadequate, some of them just plain blah. If I were asked to reduce the whole subject of advertising to its simplest terms, I believe I would say that the advertisements are "personalities in print." After 24 years in the business, that's the way it all adds up as I see it.

I do not claim any originality for my definition, as many men before me have spoken glowingly of the advertisements as being "salesmen in print." That's the ideal, of course, for the advertisement that does not sell goods or, at least, an idea, is worth nothing.

Some of the advertisements are not like any salesmen that you and I would like to think of ourselves as being. Some of them have the austere dignity of the Lord Mayor of London. Some of them are as grotesque as that magnificent would look if alcoholically over-subscribed. Some of them are just tired, over-worked peddlers, groaning beneath a load of mops, brushes, tea-kettles and other housewares.

But I think you can agree with me that, salesmen or not, the advertisements are personalities. This is as it should be. The published advertisement is the representative of the house whose brand-name it carries, whose signature adorns it. Properly, it is the picture of that house which the reading public gets. You can now see the responsibility each advertisement carries, whether it is a small, so-called rate-holder or a four-color smash.

You can see, too, that the advertisement should be a true reflection of the personality of the firm behind it. A publisher of an Oxford Bible wouldn't get very far with his public by headlining an advertisement "Hotcha!" and running it in *Ballyhoo*. The personality would be out of character. The same headline, however, might be very much in key for a moving-picture featuring the newest thing in dizzy

blondes or the hottest stuff in hoofers.

An advertiser of padlocks would be well within the limits of truth to advertise that "Our business was founded on dishonesty," for, without widespread dishonesty, there would be no market for padlocks. But the personality of the advertisement would hardly do. It is all right to inject a pleantry into a sales-talk or into a printed advertisement, but the out-and-out clown in the flesh belongs in Hollywood or on the radio, and, in print, in the comic weeklies.

If flesh-and-blood salesmen were pulled and hauled and mauled the way printed salesmen are, it would be a sad world. Can you imagine what the same sort of tinkering would do to salesmen? "I don't like that gray necktie," I can hear the president saying. "Let's make it orange and blue." "No," the sales manager chips in, "my vote is for a green polka-dot." "I don't like those tan shoes," the factory superintendent says. He's an important factor, the superintendent, so the president compromises: "Suppose we make it one tan and one black."

Ridiculous? Of course. But that is pretty much what happens when a committee lays hands on advertising copy.

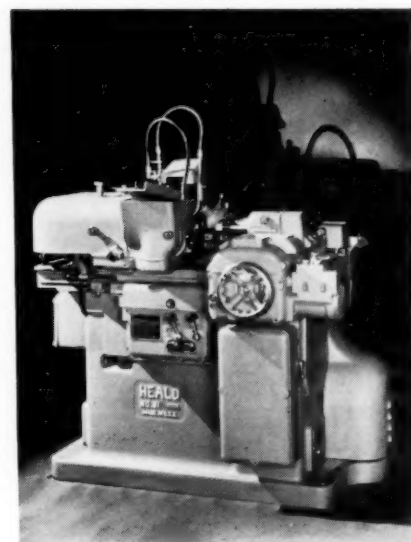
Certainly, it's all right to have suggestions and criticisms. But when they are all in and carefully weighed, the *thought* should be given to the copywriter to express in his own words. Then the copy will hang together as a piece. It will be smooth and orderly, and not have a tan shoe on one foot and a black one on the other.

I wonder how many of you will remember this mild diatribe from a creative advertising man, the next time you are in a meeting called to pass judgment on a batch of layouts and copy. I wonder if I can persuade you to resist that impulse to scribble changes on the copy itself, instead of making a few notes to be handed to the copy-writer or his representative.

If you were ordering a portrait in oil of yourself or your wife, I can't imagine your saying to the painter: "Hey, lemme have that brush a minute," and then going over to the canvas and changing an ear or a nose. Nor can I think of you as borrowing a chisel and mallet from a sculptor to put your personal ideas into work. When you have suggestions or criticisms, you talk them over with the painter or sculptor, instead of borrowing his tools and attempting the work yourself.

I am not trying to say that an advertisement is a work of genius and therefore inviolate, but I do insist that it is something for the hand of a skilled writer. It is a "personality in print" and personalities are not amenable to alteration. At least, if any change seems necessary, it should be made by the person who created the original.

If you will remember the germ of this plea the next time there is a meeting on copy, you stand to make a friend for life. The copywriter is going to work nights to please you next time. He will go through smoke and fire for a few kind words.



Shadow Photograph: Heald Machine Company, Worcester, Massachusetts, makes internal grinding and precision boring machines. So highly specialized are they that the firm estimates it has only 350 potential customers. Therefore the advertising must be distinctive and economical. Cost of cuts, electros and retouching was often as much as the ad space. With shadow photography, the engraving charges have been pared, because the picture is made right the first time and needs no retouching. Too, the process "identifies the house as well as the machines because it smacks of reality," says Ad Manager Lewis A. Hastings. A spotlight and secondary lighting to soften the edges of shadows, a black background and a light gray paint on the machine give the best results on the ten-ton grinders. The photographs are used in direct-mail booklets and in trade journal pages.

SALES MANAGEMENT



# he's *told* . . . .

This started out to be a story about the lady-who-listens-in-the-kitchen, jotting down the CBS recipes she hears.\*

But how about Dad? He's not shown here, but he *won't* be left out of the radio picture. *He* tells her of a soup he wants to try—because *he's* been listening evenings.\* And there's Johnny and Judy, of course. For the first time in their lives, they're actually *excited* about cereals and milk\*—because their favorite voices on the air tell them they're good. ● The whole family listens—and does what it's *told*—when the telling is as easy-to-take as the fam-

ily's favorite CBS programs. Little wonder CBS food advertisers doubled their schedules in '34. Or that in January they're already 20% ahead of last year. ● So are cigarette and automobile advertising on CBS—and almost everything else in the price-brackets between. The world's largest radio network is a swift and lively route to twenty-million families—who buy the things they're *told* to buy!\*

\*We'll be glad to show you proof...\*and proof...\*and proof.

## COLUMBIA BROADCASTING SYSTEM

485 MADISON AVE., NEW YORK • 410 N. MICHIGAN AVE., CHICAGO, ILLINOIS  
WORLD'S LARGEST RADIO NETWORK • 97 STATIONS IN 95 CITIES



● America's Little House — exclusive broadcasting facilities from the "Little House" are available to CBS clients.





# It's Surprising, Mr. Hovey, How This Discussion Goes On and On!

(The fact that SALES MANAGEMENT is getting so much interesting mail as a result of the article by J. Allen Hovey, in the December 15 issue—the one entitled, "Will Broader Gaged Advertising Copy Recapture the Fed-up Consumer?"—is evidence enough that there is a goodly measure of inherent force in the idea expounded. Letters from several other executives, in reply, were printed on "The Postman Whistles" page in the January 15 issue. The comments below are from an executive of a men's clothing manufacturing concern, and are of special interest because this was one of the lines of business specifically cited by Mr. Hovey in his original discussion.—THE EDITORS.)

**J.** ALLAN HOVEY, in your issue of December 15, suggests broader gaged advertising in order to capture bigger and better results. Toward the end of his story he expands into the thought that a man's clothing manufacturer could make his advertising more interesting and service-giving by dipping into the accessory situation.

We have toyed with this idea in the past, but used it only to a slight extent. So have other clothing manufacturers. However, to do the idea justice, it would have to be worked out as a well integrated and sustained program. But approaching the job on that basis, we usually find that it falls of its own weight.

Many clothing stores do not carry furnishings, and often a clothing manufacturer sells several accounts in a town, some of which carry furnishings and others of which do not. Promotion of accessories would seem to favor the stores who carry furnishings. It is true that the idea might benefit both types of stores in the end, but, as a rule, the dealer who carries clothing only would be hard to convince of this fact. Most dealers want clothing advertising to be concentrated on clothing and not diluted with other matter. Since the dealer is where the point of sale takes place (both wholesale and retail), his feelings must be reckoned with and respected.

Even though a merchant may carry an excellent line of accessories, it is probable that sooner or later the clothing manufacturer, in advertising accessories, would include some item which the merchant does not happen to have, and this would at once embarrass the dealer and damage his good will toward the manufacturer.

Clothes for young men fall into a number of different types which, for

BY

FELIX L. LIPPMAN

*Keller-Heumann-Thompson,  
Rochester, New York*

example, might be characterized as the Wall Street type of clothes, Fifth Avenue type, Broadway type and University type. The first two types constitute the best dressed men and the best taste in clothes . . . the Broadway type is more extreme, and the University type is peculiar unto itself because it is highly individualized. The above named groups can be added to and deserve detailed explanation which cannot be gone into here, but we simply mention these different types to bring out the fact that each type of group necessitates its own particular kind of accessories in keeping with the clothes worn, and it would be rather complicated, not to say confusing, to cover the accessories that apply to all types. On the other hand, it would be dangerous to confine the accessory advertising to any particular group, because few manufacturers want to link themselves up definitely or by implication with any one group.

## Clothes Preferences Vary

Towns also differ, ranging from metropolitan centers through medium size towns down to small towns. In addition to the variety of towns, there is also the matter of geography which is important. For example, the South is more responsive to light colors, but wears few double breasteds and no overcoats to speak of; the Coast welcomes novelty attire more readily than the East.

It is true that accessories could be incorporated in clothing advertising in a general way, but as long as it is general enough to be safe, it is also rather weak and worthless. If it is to be valuable it must be exact, brand new and authentic, but these very requisites are in themselves handicaps.

The furnishings people themselves seem to do an able job, as witnessed by the advertising of Arrow shirts and collars; Manhattan shirts; Stetson, Dobbs, and other hats; Florsheim shoes; Hickok, and a host of others. If the clothing manufacturer could work out an accessory campaign along with his clothing, it would still seem

puny beside the accessory advertising by the accessory manufacturers.

The closest approach to a constructive job linking accessories with clothing and binding up the whole thing with the consumer's personal interests, was the ensemble idea which clothing manufacturers pushed a few years ago, promoting harmony of color in a man's clothes and accessories, as well as his personal coloring. This also includes a link-up of appropriate taste in all parts of a man's wardrobe, such as the tie-up of brogues and tweeds, derbys and Chesterfield overcoats, et cetera.

Before tackling accessories, manufacturers would probably do better if they could break down a few of the old traditions that interfere with increasing the number of well dressed men. Too many men feel shy about taking an interest in being well groomed, and some mysterious false modesty keeps them from paying enough attention to the selection of good looking, harmonious clothes and accessories.

## Ignorance or Disinterest?

Today part of a man's poise, personality, ease of mind and masculinity are all directly related to his clothes. The tough guy of the turtle-neck sweater days used to typify the he-man and consideration of one's clothes was considered effeminate, but today the clean cut, masculine type is more often a capable executive who is not only athletic but also well dressed. The wrist watch was considered effeminate once, too, but the war changed all that, for it is now regarded as rather indispensable by the best dressed men. Maybe we need another war to help out the men's clothing situation.

Conscious or unconscious disinterest by men in regard to their clothes is also coupled with an amazing ignorance about obvious fundamentals of dress. It occurs to very few men that stripes make you look thinner, that tan usually makes a dark man look swarthy and sallow, that it doesn't make sense to wear a straw hat with a topcoat on a cool Spring evening. Possibly one of the answers to the clothing industry's problem will be found by an approach through the women, who have more inherent taste than most men can cultivate in a lifetime. Maybe you have the answer, but in the meantime I think that my friend, Hovey, *hasn't* got the solution.

SALES MANAGEMENT



## Snapshots

Sales conventions may be seething with interest to executives and employees, but the general public is not only unaware of them, it doesn't give a whoop. INTERNATIONAL BUSINESS MACHINES determined to remedy this situation. While its International Goodwill Convention was in progress in New York, half-page ads in 11 dailies told outsiders how 7,700 IBM men in 79 countries were "trained to consider themselves ambassadors of international trade and goodwill. . . . Which stimulates peace and friendship regardless of national barriers." Other ads hammered so loudly along the same line that all New York knew that IBM was in conclave "for the exchange of ideas, ideals, information and the cementing of foreign friendship."

CHESTER BOWLES, of Benton & Bowles, the advertising agency which has many radio hits under its direction, the most prominent being the Maxwell House Showboat, says: "The ideal radio entertainment is a combination of good music and good script. Singers who go on the radio 'straight' (that is, with a simple presentation of numbers) have never secured the big audiences that have become followers of programs which have contained human interest and heart throbs.

"In the movie, 'One Night of Love,' Grace Moore sang selections from 'Madam Butterfly,' 'Aida' and 'Carmen.' If she had sung those same selections as straight concert numbers she could not have hoped to stir the audience as she stirred them when she sang each number with the intense emotional setting which the story gave her."

WADHAMS OIL COMPANY cut loose with a paean of praise when the Auto Show was held in Milwaukee. "To you Walter Chrysler, and to you Henry Ford—to you Charles Nash and to you Alfred Sloan—to you and all like you, down to the smallest dealer who gallantly battles under your jubilant banners . . . on your collective chest we would like to pin the mightiest medal the world has ever seen.

"In the long weary history of America's fight against paralyzing, soul-starving depression, *yours* are the pages that blaze with optimism. . . . When by all the rules you should have retreated, you charged—and charged again. . . . You had to sell those cars! The only way you could sell them was to make them better! better!

better! . . . So in America's four blackest years you crowded a generation of normal development. . . . Your recognition is here, in good old American fashion millions are buying cars again." Nary a word of this tribute was marred by sales talk about Wadhams oil. Only the signature slug and a minute copyright line told readers who it was that "speaking for our own Wisconsin," took "off our hats" to the auto makers.

Some liquor companies may be drawing in their advertising horns, but not SEAGRAM. The company has started a campaign in 200 newspapers in 165 cities, 30 more than last Fall. Fourteen magazines also are scheduled. Blackman Company is the agency.

MCCALL'S magazine investigators asked 1,017 housewives at home-making lecture classes in New Jersey what electric appliances they considered most essential. The matrons picked the flatiron, home radio, floor-type vacuum cleaner, refrigerator and washing machine in that order. These same women own 8,882 electric appliances, or an average of 8.73 each. Only 21½% are not in use, mostly "out of repair."

H. LEDYARD TOWLE becomes director of creative design for the Pittsburgh Plate Glass Company. Captain Towle, art director of the Campbell-Ewald agency, recently won both first and third prizes for his posters at the National Exhibit of Outdoor Advertising Art. In his long career he has painted portraits which hang in numerous museums, painted murals, and designed almost everything from portable typewriters to tires.

NATIONAL BISCUIT and WESTERN UNION team up to get the utmost publicity from the former's three-hour radio program on the NBC network Saturday nights. Both companies are distributing 15,000 window posters saying, "By Western Union the whole world applauds! Let's Dance! . . . Have a party. Wire your invitations. Wire your favorite radio performers." Pictured are French, Japanese, Canadian and American ships, their captains and the W. U. radiograms which the latter sent complimenting the dance music. Similar exploitation tie-ups are being prepared by National Broadcasting for other radio clients.

J. W. DINEEN has been appointed director of the advertising section of General Motors, to succeed W. W. Lewis, who is now vice-president and general manager of Campbell-Ewald, Detroit.

"Good editing...fires the imagination of the reader—kindles his desire to do—to be—and to have."

that's why

THE **American** MAGAZINE

●●● produced inquiries for Great Northern Railway at a lower cost than any other general magazine or any woman's magazine.

Y Y Y

●●● led the general magazine field in low cost per inquiry for a Gerber Strained Vegetables advertisement, 1934.

Y Y Y

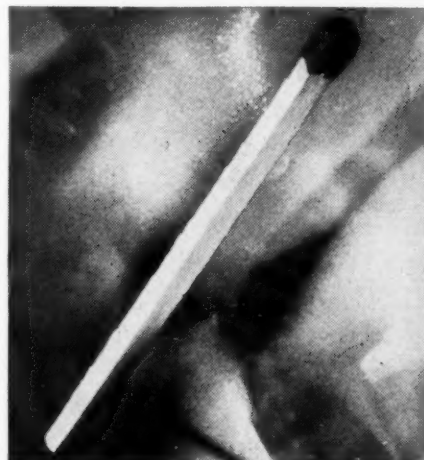
●●● consistently leads or ranks second among 11 magazines in number of inquiries returned to Investors' Syndicate.

Y Y Y

●●● was one of three leading inquiry producers for Santa Fe Railroad, 1934, on list of more than 30 magazines.

Y Y Y

●●● tied for second place among 16 magazines in low cost per sale in Gillette's 1934 fall campaign.





# Goodwin Sets Forth to Conquer 12,000,000 "Anchored Market"

(Continued from page 123)

activities and would provide a sounder method of sales stimulation.

"The fact that we reached our goal of 250,000 'oral broadcasters' within six months, and that 15,000 women have since applied, vindicated my belief in the 'organization' possibility of such a medium. And the approval of nearly 19,000 ministers, priests and rabbis, economists, publicists and denomination leaders, as well as the adoption of the plan by so many outstanding manufacturers, I think, attest to the soundness of the principles I sought to weave into this instrument."

Though the first quota of broadcasters was reached on March 5, 1934, Mr. Goodwin told SM, the signing of manufacturers had proceeded more gradually. This has been largely due to several factors of "exclusiveness." Only one product in each category is accepted . . . one brand of toilet soap and one of shaving cream, one of baking powder and one of corn flakes, one electric vacuum cleaner and one brand of paint. And so on.

Each product must be one which is or can be generally distributed. It must be sold through regular retail outlets. Neither the list of products nor the national "Goodwin" market is split to meet the wishes of the workers engaged from any denomination or the wishes of any manufacturer. Thus certain products, not approved by certain denominations, are barred. Among these are tobacco, alcoholic beverages and germicides which might be used for contraceptive purposes.

## Issue Shopping Guides

Manufacturers who signed for the Goodwin Plan months back have had to wait until now, when the plan is ready to be launched, to determine the full sales effectiveness of the plan as a sales medium for their business. Evidences of sale that may have been saved from purchases of products, announced already to the field, have not as yet been called in by the Goodwin Corporation. In fact, no formal listing of manufacturers or products has yet been made. The plan actually starts with the issuance of the 3,000,000 shopping guides.

But earlier manufacturers in the plan have reported unusual results in regional tests, simply as an outgrowth of the person-to-person verbal adver-

tising of products announced to field executives only.

Adolph Goodwin was formerly an advertising agency plan creator. In the first six months of that barren year 1932 he sold nine national accounts. One of these was the Allen-A Company, maker of hosiery and swim suits. He felt that the advertising he created for this company measured up to expectations in stimulating consumer interest, but was relatively a failure in building distribution and in thwarting "brand-switching." With the help of the Goodwin broadcasters and representatives, however, Herman Appel, Allen-A sales manager, reported 500 new dealer outlets within six weeks after Allen-A was announced to Goodwin field executives.

## Results Already Apparent

Several months ago a handbill list of manufacturers who had signed for the plan in a previous group meeting was released to district managers. The district manager in Denver, with the handbill, approached an executive of a large department store which had consistently ignored the existence of the salesman of one of the Goodwin Plan manufacturers. The district manager mentioned that the organization then had 3,500 broadcasters in Denver, representing a potential market of 35,000 families. The executive was skeptical. He asked her, casually, to have 100 of them drop in to see him in the next few weeks. It is reported that in the next 48 hours 1,000 trooped in and introduced themselves. The store decided to add this product.

A certain canned food product was represented in Cincinnati by a broker. Until the Goodwin Plan came along, said the vice-president of this company, it was just one of a lot of like products on the broker's list. He had followed the line of least resistance, selling it to some independent stores. A certain chain of 5,000 grocery stores with headquarters in Cincinnati operates many stores there. But in two years the broker had not been able to sell that chain a dollar's worth of this product. The Cincinnati district manager distributed the preliminary leaflet list to 35,000 broadcasters and housewives. Many of them had never heard of this product. But it was on the list, so they decided to try it. They went to the stores of

this chain, and to other stores. In two days the chain store buyer placed his initial order. In three weeks the product was on sale in a majority of the grocery stores in Cincinnati.

Carl Weeks, president of the Armand Company, cosmetics, was the first manufacturer to sign up for the Goodwin Plan. He said recently:

"So far as I know, this is the only merchandising experiment which has proposed to substitute results for guesswork. . . . We have been impressed with the results obtained from it in an experimental way. . . . Furthermore, not waiting until the plan got in operation, we effected a modification of its principles at about four times what the cost will be when the plan gets into active operation, and the results have been remarkable."

Some of the manufacturers, Mr. Goodwin told SM, have wanted to employ the district managers, representatives and broadcasters on exclusive programs to increase their sales and distribution. One sought to offer 8% commission on all sales made through them. Another wanted to organize a sales contest, with valuable prizes, among them. These requests were rejected. A fountain pen manufacturer was willing to "take space" in the illustrated shopping guide if it would reach all his prospects before Christmas. Mr. Goodwin told him that the plan is a year-round sales promotion organization and not a printed advertising medium, and that space in the guide cannot be bought separately.

## Retailers Excited, Too

Manufacturers have noted considerable interest in the Goodwin Plan on the part of retailers. Leading department stores—those staunchest advocates of private brands!—recently have agreed to stock *all* the Goodwin products. Some merchants have even gone so far as to request that they be appointed exclusive "Goodwin Plan dealers" in their communities. Others have offered to establish stores carrying only Goodwin products. These proposals were rejected, Mr. Goodwin said. The plan will play no favorites among outlets.

The Goodwin Corporation has sent to 150,000 stores a window sticker which says: "We sell products listed under the Goodwin Plan." The district managers and representatives, it is explained, are getting them displayed in stores of all types. Thousands more are scheduled to be placed in windows with the issuance of the shopping guide. Simple displays showing only Goodwin products already have been used by many stores. In certain cases, it was said, these re-



... alert to translate increased sales opportunities into increased sales

# ADVERTISERS INVESTED \$1,400,000 IN 4 SOUTHERN FARM PAPERS DURING 1934

... and More in Progressive Farmer Than in 3 Other Papers Combined!



## COMMERCIAL LINAGE AND \*REVENUE

	1934 Linage	Gain Over 1933	Revenue	Gain Over 1933
PROGRESSIVE FARMER (At All Edition Rate) ..	130,450	57,062	\$572,090	\$245,131
Second Southwide Farm Paper .....	113,298	41,445	\$404,718	\$149,432
PROGRESSIVE FARMER LEAD .....	17,152	15,617	\$167,372	\$ 95,699
PROGRESSIVE FARMER TOTAL .....	†161,995	68,136	\$728,982	\$299,942
Second Southwide Farm Paper .....	113,298	41,445	\$404,718	\$149,432
PROGRESSIVE FARMER LEAD .....	48,697	26,691	\$324,264	\$150,510

\* All Color Premiums Included.  
† Average of 5 Editions.

	Commercial Advertising Revenue Year 1934	Percentage of Four- Paper Total
PROGRESSIVE FARMER .....	\$728,982	52.1%
Second Southwide Farm Paper .....	\$404,718	28.9%
Third Farm Paper .	\$167,735	12.0%
Fourth Farm Paper .	\$ 97,893	7.0%
Total 3 Other Papers .....	\$670,346	47.9%
GRAND TOTAL ..	\$1,399,328	100.0%

(Source: Special Reports of Advertising Record Company)

**PROGRESSIVE FARMER LED ALL FARM PAPERS EXCEPT ONE IN COMMERCIAL ADVERTISING GAINED, 1934 OVER 1933**

*And Progressive Farmer Leads Its Separate Edition Contemporaries!*

	Commercial Linage, 1934	Gain Over 1933
Texas Edition .....	155,414	59,887
Second Texas Paper .....	144,528	43,826
TEXAS EDITION LEAD ...	10,886	16,071
Carolinas-Virginia Edition .....	176,359	75,251
Second Paper in Territory .....	77,995	35,491
CAROLINAS-VIRGINIA LEAD .....	98,364	39,760

## PROGRESSIVE FARMER

BIRMINGHAM

RALEIGH

MEMPHIS

DALLAS

250 Park Ave., New York

Edward S. Townsend, San Francisco

Daily News Bldg., Chicago

THE SOUTH'S LEADING FARM — AND — HOME MAGAZINE



**EXTRA** New Ford is here! • **Front Page News** • New Ford is here! **EXTRA**

**FORD TO MAKE MILLION 1935 FORD V-8 CARS!**

NEW 123-INCH SPRINGBASE  
A SENSATIONAL IMPROVEMENT  
IN CAR COMFORT



Ford Has New Safety—New Type Fin-  
Cooled Brakes—Roomier All-Steel Body—  
Balanced Weight—Safety-Glass in  
All Windows at No Extra Cost

**→ PRICES ARE LOWER SEE YOUR NEAREST FORD DEALER!**

This is one of four car cards appearing simultaneously in the street cars of Chicago, Kansas City, Milwaukee and a dozen other selected key markets. They are unique in that they are designed to keep alive the original Ford announcement advertisements which appeared in newspapers the day before the cards were placed in the cars. The Ford dealers believe that if they can keep their newspaper headlines before everybody, every day, they will have a distinct advantage over competitors and they are capitalizing on the fact that in nearly every key market 80% of all transportation is on the public conveyance systems. By this method Ford is adding incessant repetition to a dominant newspaper announcement and expects to triple and quadruple the pulling power of their original newspaper pages.

placed expensive displays for other products. Merchants have used newspaper space—some of them full pages—to tell their customers that they carry "Goodwin Plan listed products."

The plan includes in its recommendations that a manufacturer spend 3% of his wholesale sales, as proved by the evidences which the Goodwin Corporation turns in, in newspapers of that particular area. Mr. Goodwin believes that the plan will work to increase the volume of newspaper advertising.

The response which, even during the preliminary period, manufacturers and retailers have had is largely due to the efforts and knowledge of merchandising and of local conditions of the district managers and representatives. These men and women, Mr. Goodwin showed, have invested much time and a total estimated at \$1,500,000 of their own money—without any return as yet—in arranging for utmost local cooperation in the plan. As soon as the shopping guide appears, they will devote all their time to this work.

Of the 1,275 district managers and representatives, he explained, nearly all have had merchandising experience. Forty-seven per cent have been sales executives; 36% advertising executives. Eight per cent have been bankers. The remaining 9% have been engaged in a variety of work, from housekeeping to industrial engineering. One per cent have had ministerial experience. Average past earnings of district managers in rural localities have been about \$3,000; of those in urban localities, about \$4,800. Their average age is 40. Eighty-five per cent are married. At present 82% are men. As the plan develops, it is intended that the number of men managers be increased to about 95%, as it is felt that they are better fitted to cope with the merchandising problems involved, and to work with re-

tailers, wholesalers, newspapers and other local factors in their solution.

Some of the district managers are well known in sales work. Raymond Coutant, at New York, for example, is a former executive with the Olds division of General Motors. (He was also secretary of the "special manufacturers group" who sponsored the New York meetings.) W. I. Woolpert, Dayton, is a sales engineer. John G. Ross, Cleveland, has had 18 years of merchandising and sales executive experience. Like most other district managers, he has signed broadcaster groups from 75% of the church societies in his locality. Ruth Hayes Carpenter, at Minneapolis, the original "Betty Crocker" of General Mills, also has reached this "quota."

At the meeting of January 14, new and old manufacturer "category holders" told the manufacturer prospects of their experiences and ideas. Each of them previously had written to certain prospects about it. The "mutuality" of the plan is emphasized in the fact that these executives have gone to some trouble to explain it to executives in other industries.

For example, Norman H. Rieser, president of the Rieser Company, maker of Venida beauty products, wrote to one of them:

"We are doing radio broadcasting, but we believe that old-fashioned word of mouth broadcasting, as controlled and directed through the Goodwin Plan, will soon take a basic place in recognized advertising schedules. Mr. Goodwin has harnessed the tremendous energy of 265,000 neighborhood women to foster the idea."

Mr. Reiser pointed out that, though some advertising agencies "have been discrediting the plan," because they feared it would reduce their compensation, "our agency feels that when the plan is in full operation there will be enough promotion work for which

they will be paid to offset any immediate losses they might sustain while the manufacturer is in the process of changing some of his present sales promotion methods to the newer Goodwin Plan."

A. Derby Lawrence, assistant treasurer of the Joseph Burnett Company, wrote: "You undoubtedly understand how this plan operates and the fact that expenditures are made only on proof of sales, which are made only through established store channels, makes it unique over all other advertising projects which have been submitted to us."

And F. B. Shields, treasurer of the Barbasol Company, pointed out that "the interesting thing about this plan is that the cost is governed by actual sales over the retailer's counter."

Though Mr. Goodwin and his vice-president, George Whiteside, told SM that they believe the plan will double the sales of a number of the manufacturer participants in the first six months, they would make no rash predictions.

It is reasonable to assume, however, they said, that the average family should buy about \$5 of merchandise weekly from the long Goodwin list. If nearly 3,000,000 families are covered, that would mean an aggregate retail sales volume of about \$700,000,000 in the first year.

A giant may have been born in the ballroom of the Plaza on January 14.

## A.M.A. Package Awards in Two Groups This Year

Two sets of awards for good packaging will be made this month in New York by the American Management Association instead of merely the Irwin D. Wolf trophy and list of honorable mentions conferred in previous years. The Wolf award goes to the best package of all classes and certificates designed by Gilbert Farrar will be given to the best in the following classes: Containers of metal, glass, wood and molded plastics, tubes, visible display packages, paper bags, set-up boxes, folding cartons, canisters, family of packages, display containers, packages displaying merchandising ingenuity, shipping containers and miscellaneous.

A different set of "awards for distinctive merit" recognizing technical developments in packaging will also be made.

Winners in all classes will be displayed in the Association's fifth annual packaging exposition at the Palmer House, Chicago, March 5 to 8. Exhibitors will be 50% more numerous than last year.

**SALES MANAGEMENT**



*Now in Progress!*

## AMERICA'S FIRST BATHROOM and DRESSING TABLE INVENTORY *of Drug, Sundry and Cosmetic Products*



Photo Courtesy of "Advertising & Selling"

More than 200 manufacturers of Drugs, Sundries and Cosmetics have contributed advice in the preparation of the questionnaire and survey procedure. Pictured here is a council meeting of important agency research directors in Hotel Waldorf-Astoria, December 12, 1934. Among those in attendance were: Victor Pelz and R. H. Leding of Lord & Thomas; H. L. Douglas, Erwin, Wasey & Co.; F. C. Coutant, Pedlar & Ryan, Inc.; J. J. Flanagan, Geyer-Cornell Co.; George Gallup and George Sewall, Young & Rubicam, Inc.; R. N. King, Batten, Barton, Durstine & Osborn, Inc.; J. N. Wallace, N. W. Ayer & Son, Inc.; Lyman C. Chalkley, Benton & Bowles, Inc.; F. S. Newberry, Jr., Ruthrauff & Ryan, Inc.; L. D. H. Weld, McCann-Erickson, Inc.; Herbert Steele, Eastern Manager, National Advertising Department, the Scripps-Howard Newspapers; Harry A. Casey, Promotion Manager, the Scripps-Howard Newspapers; F. N. McGehee, National Advertising Manager, The Cleveland Press.



THIS month five thousand, four hundred Cleveland housewives are listing on a printed report form, supplied by the Cleveland Parent-Teachers Association, every proprietary medicine—every drug sundry—every shaving accessory—toilet requisite—dental aid—and every cosmetic product to be found in their homes.

In addition, they are reporting for each item (1) where they purchased it, (2) what they paid for it, (3) who in the family uses it, and (4) whether their doctor prescribed it.

This is the first comprehensive study of consumer habit in the purchase of drug and cosmetic products ever conducted in a metropolitan market.

The results are to be tabulated by the International Business Machines Corporation and a report will be ready for interested manufacturers and advertising agents on or about March 15.

If you should like to see the completed report or a description of the novel method through which the data are being obtained, write the National Advertising Department.

# The Cleveland Press

A Scripps • Howard Newspaper

NATIONAL ADVERTISING  
DEPARTMENT OF  
SCRIPPS-HOWARD  
NEWSPAPERS  
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED  
PRESS . . . OF THE AUDIT  
BUREAU OF CIRCULATIONS  
and of  
MEDIA RECORDS, INC.

CHICAGO : SAN FRANCISCO : LOS ANGELES : DALLAS : DETROIT : PHILADELPHIA : ATLANTA

FEBRUARY 1, 1935

[155]



COMPARISON OF RETAIL STORES BY TYPES OF OPERATION (Sales are stated in thousands of dollars)								
Type	NUMBER OF STORES		% Change	SALES				% Change
	1933	1929		1933	Ratio	1929	Ratio	
U. S. TOTALS.....	1,526,119	1,543,158	— 1.1	\$25,037,225	100.0	\$49,114,653	100.0	—49.0
Independents.....	1,349,337	1,375,509	— 2.0	\$17,826,562	71.2	\$38,081,504	77.5	—53.2
Chains.....	141,803	148,037	— 4.3	6,312,769	25.2	9,834,846	20.0	—35.8
Direct selling.....	7,026	1,661	+323.0	187,368	.7	93,961	.2	+99.4
Mail-order.....	311	271	+ 15.0	244,381	1.0	515,237	1.0	—52.8
Commissaries.....	2,719	1,347	+101.0	95,578	.4	115,583	.3	—17.3
Utility-operated.....	4,127	4,053	+ 1.8	76,079	.3	163,371	.3	—53.4
OTHER TYPES.....	20,996	12,280	+ 71.0	294,488	1.2	310,151	.7	— 5.0
Market and Roadside stands.....		4,502	—		—	18,614	—	—
Itinerant vendors.....	Figures	1,384	—	Figures	—	7,130	—	—
Rolling stores.....	not	244	—	not	—	3,971	—	—
Leased departments.....	Available	4,271	—	Available	—	154,024	—	—
Cooperatives.....		1,709	—		—	116,995	—	—
Unclassified.....		170	—		—	9,477	—	—

## Chains Gain Over Independents During Depression Years

THE sales of chain stores increased in relative importance to other types of operation during the four years from 1929 to 1933, according to figures gathered in the Retail Distribution Census.

In 1929 chains did 20.0% of the total of all retail business of the country, but by 1933 the ratio had increased to 25.2%, or a quarter of the total of national retail sales.

The most extraordinary changes are shown in the number of establishments of direct-selling (house-to-house) retailers, although the volume is still less than 6% of the total.

The higher ratio of chain sales as a whole does not mean that the chains in all kinds of business have weathered the four years of depression better than independents. The chains are relatively strong in the food, variety, drug stores and filling station classifications, and these lines of low-priced consumer commodities declined far less than luxury and high-priced products.

In most of those kinds of business which experienced the greatest decline in sales, chains are a negligible factor.

The number of full-time employees decreased 33.8% in independent stores and 17.3% in chain stores. The number of proprietors increased 3.0% in independent stores and 1.7% in those chains which are not incorporated.

Total payroll decreased 48.9% in independent stores and 30.8% in chains. The decrease in full-time pay-

roll was 52% in independents and 33.8% in chains. Both increased their part-time payroll, the former by 44.5% and the latter by 69.9%.

In comparison with an average decrease in annual earnings per full-time employee of 24.9% in all stores, employees in independent stores had their annual earnings reduced 27.5% and in chain stores 19.8%.

In five kinds of business, chains increased materially the ratio of their sales to independents' sales. The chain ratios, or the percentage that chain sales bear to total sales of all stores in the same kind of business, are as follows:

Kind of Business	Chain Ratio, Chain Ratio,	
	1933	1929
Department stores .....	23.9	16.7
Shoe stores .....	46.2	38.0
Combination stores (groceries and meats) .....	43.7	32.2
Cigar stores and stands .....	33.9	25.1
Drug stores .....	25.1	18.5

In the following kinds of business the chain ratio increased slightly:

Kind of Business	Chain Ratio, Chain Ratio,	
	1933	1929
Variety stores .....	91.2	89.2
Men's stores .....	22.0	21.2
Women's apparel stores .....	23.4	22.7
Restaurants and eating places .....	14.9	13.6
Filling Stations .....	35.5	33.8

In the following kinds of business the chain ratio remained unchanged or declined:

Kind of Business	Chain Ratio, Chain Ratio,	
	1933	1929
Family clothing stores .....	20.3	27.3
Furniture stores .....	14.2	14.2
Radio stores .....	15.6	19.1
Grocery stores (without meat) .....	45.0	45.7
Jewelry stores .....	5.9	6.4

In the department store field the 1933 Census includes about 100 more chain stores than in 1929. A few of these are large stores opened by the mail-order houses and other chains which continued to expand after 1929; the balance represents principally the stores of a national chain classified in 1929 as a variety store chain, but which has changed the nature of its business during the intervening years until today it is classified properly as a department store chain. Its sales in 1929 were approximately \$66,000,000; in 1933, \$78,000,000.

In comparison, the number of independent department stores decreased from 2,166 to 1,428. A factor in this decline is the minimum sales limit of \$100,000 which is required of a store before it can be classified in the Census as a department store.

The number of chain department stores exceeds the number of independent department stores, although their sales are little more than one-third of the sales of independents. With the exception of a few sizable stores of the mail-order houses, practically all of the large downtown department stores of the country are independently operated and are owned locally except for 121 stores of the ownership groups. Ownership groups are financial mergers of previously existing independently owned stores, without central merchandising and buying. Mere ownership does not classify them as chains so long as they are independently operated and their buying is not centralized. They are classified the same way in 1933 as in 1929.



# *The* **TOLEDO BLADE'S** *Record for 1934*

<b>LOCAL ADVERTISING</b>  2½ million lines More (86%) than any Toledo Newspaper.	<b>NATIONAL ADVERTISING</b>  Over a million lines More (143%) than any Toledo Newspaper.	<b>DISPLAY ADVERTISING</b>  3½ million lines More (98%) than any Toledo Newspaper.
<b>CLASSIFIED ADVERTISING</b>  Half a million lines More than any Toledo Newspaper.	<b>TOTAL ADVERTISING</b>  4 million lines More (95%) than any Toledo Newspaper.	<b>DEPARTMENT STORE ADVERTISING</b>  Over a million lines More (91%) than any Toledo Newspaper.
<b>FOOD ADVERTISING</b>  80% More than any Toledo Newspaper.	<b>ALCOHOLIC BEVERAGES</b>  167% More than any Toledo Newspaper.	<b>AUTOMOBILES</b>  106% More than any Toledo Newspaper.
<b>MEDICAL ADVERTISING</b>  130% More than any Toledo Newspaper.	<b>WOMEN'S WEAR ADVERTISING</b>  234% More than any Toledo Newspaper.	<b>TOILET REQUISITES ADVERTISING</b>  300% More than any Toledo Newspaper.

**W**E could go on with many more advertising classifications but the above list is sufficient evidence that the **TOLEDO BLADE** is the **DOMINANT** advertising medium in Toledo.

*The TOLEDO BLADE sells more papers in Toledo than there are homes and gives complete coverage at one cost.*

## **TOLEDO BLADE**

**Paul Block and Associates**

*National Advertising Representatives*

NEW YORK  
LOS ANGELES

BOSTON

PHILADELPHIA  
SAN FRANCISCO

DETROIT

CINCINNATI

CHICAGO



# Major Advertising Gained 24% in '34

ACCORDING to figures gathered from reliable sources five major forms of advertising media—newspapers, magazines, radio, national farm papers and business papers—had a collective dollar gain last year of slightly over 24% in advertising revenue.

Dollar figures for each were approximately as follows:

Newspapers \$490,000,000.

Magazines \$113,514,672.

Radio networks \$42,659,461.

Business papers \$40,000,000.

National farm magazines \$5,192,377.

Magazine and radio figures were compiled by National Advertising Records (see detailed breakdown below), and cover all advertising in the 77 leading magazines, general, class and women's, and the time cost (not talent) on the NBC and CBS networks. The newspaper figure is the estimate of *Editor and Publisher*, and the business paper figure, covering all business papers, is the estimate of As-

sociated Business Papers, Inc. National farm paper figures also come from National Advertising Records.

In percentage gain in dollar revenue radio led with 35.3%, followed by national farm magazines, 28.1%; business papers, 25%; magazines, 21.3%; and newspapers approximately 12.5%. Outdoor advertising was up around 15% and sizable gains were registered by state and sectional farm papers, store and window displays, direct-mail, and other forms of advertising for which dollar estimates are not available.

In the 24 classifications of advertising given below for magazines and radio, only one, lubricants and petroleum products, shows declines for both forms of advertising. Although radio showed a greater percentage gain, and enjoyed its biggest year, the medium lost ground in more classifications than did magazines.

Industries which increased expenditures by more than the general average in both magazines and radio were:

Automotive  
Building materials  
Machinery  
Paints and hardware  
Shoes and leather goods  
Stationery and publishers  
Wines, beer and liquors.

The alcoholic beverage industries were particularly helpful to the magazines, and accounted for more than 15% of the total dollar advertising gains. The networks gained less because of their restrictions against liquor advertising.

Industries in which the magazines gained far more than radio were cigars, cigarettes and tobacco, confectionery and soft drinks, financial and insurance, house furniture and furnishings, jewelry and silverware, paints and hardware, and miscellaneous.

Radio gained far more than magazines in automotive, building materials, drugs and toilet goods, foods and food beverages, garden and field, shoes and leather goods, soaps and housekeepers' supplies, and stationery and publishers.

## 1934 Investments in Magazines, Radio, by Industries

Compiled for SALES MANAGEMENT by the Advertising Record Company, Inc.

CLASS	Magazines		Radio Networks	
	1934	Per Cent	1934	Per Cent
1—Automotive Industry .....	\$12,881,574 .....	+ 36.7	\$3,772,486 .....	+ 62.6
2—Building Materials .....	2,475,342 .....	+ 40.8	205,811 .....	+158.1
3—Cigars, Cigarettes and Tobacco .....	5,715,063 .....	+ 27.5	3,181,988 .....	+ 9.3
4—Clothing and Dry Goods .....	3,695,875 .....	+ 44.5	338,612 .....	— 16.4
5—Confectionery and Soft Drinks .....	2,155,415 .....	+ 24.4	1,187,179 .....	— 3.2
6—Drugs and Toilet Goods .....	23,589,145 .....	+ 6.5	13,982,287 .....	+ 75.5
7—Financial and Insurance .....	2,790,918 .....	+ 20.6	611,822 .....	— 8.6
8—Foods and Food Beverages .....	20,118,709 .....	+ 4.4	11,747,601 .....	+ 23.8
9—Garden and Field .....	452,569 .....	+ 19.1	28,481 .....	+ 50.5
10—House Furniture and Furnishings .....	6,927,288 .....	+ 43.9	417,065 .....	+ 4.0
11—Jewelry and Silverware .....	1,574,615 .....	+ 71.8	26,787 .....	+ 7.3
12—Lubricants and Petroleum Products .....	2,608,512 .....	— 2.2	2,958,799 .....	— 17.5
13—Mach., Farm Equipment & Mech. Sup. ....	504,599 .....	+ 69.0	61,757 .....	+ 38.1
14—Office Equipment .....	1,306,084 .....	+136.3	150,315 .....	— .5
15—Paints and Hardware .....	1,073,545 .....	+ 50.7	212,153 .....	+ 40.5
16—Radios, Phonographs and Musical Instruments .....	1,544,196 .....	+ 10.9	656,090 .....	+ 10.5
17—Schools and Correspondence Courses .....	1,470,548 .....	— .2	Nothing .....	
18—Shoes and Leather Goods .....	1,700,594 .....	+ 44.3	39,660 .....	+353.2
19—Soaps and Housekeepers Supplies .....	6,561,934 .....	— 2.6	1,957,116 .....	+ 93.6
20—Sporting Goods .....	1,696,240 .....	+ 51.0	Nothing .....	
21—Stationery and Publishers .....	2,327,375 .....	+ 25.8	409,112 .....	+106.4
22—Travel and Hotels .....	3,841,765 .....	+ 29.1	84,417 .....	— 31.8
23—Wines, Beer and Liquors .....	3,128,590 .....	+349.0	466,479 .....	
24—Miscellaneous .....	3,374,181 .....	+ 55.4	163,444 .....	+ 17.9
	\$113,514,672 .....	+ 21.3	\$42,659,461 .....	+ 35.3

Note—The National Magazines checked total 77 publications, 11 weeklies and semi-monthlies, and 66 monthlies. All figures are based on the one-time or single insertion rate.

Note—The Network Radio Broadcasting figures cover all national or chain broadcasting carried over the networks of the National Broadcasting Company and Columbia Broadcasting System. The figures cover facilities only and do not include talent.



# Pick Your Shots



## With CHILTON Publications

The selective circulations of  
Chilton Publications permit  
you precisely to pick your  
advertising shots.

Automatically eliminating waste, they group your customers where  
they are easy and economical to reach . . where they are accus-  
tomed to turn with buying in mind . . where they are easiest to sell.

Chilton Publications "flush" your prospects. You pick your shots.



## CHILTON PUBLICATIONS

*Blanket the Following Fields*

Metals and  
Machinery  
Hardware  
Automotive

Dry Goods and  
Department Stores  
Shoes, Leather  
and Hosiery

Exports  
Jewelry  
Optical

Warehousing  
Insurance  
Toys and  
Bicycles

## CHILTON COMPANY

(INCORPORATED)

Philadelphia — New York

### Address CHILTON PUBLICATIONS as Follows:

The Iron Age  
Hardware Age  
Dry Goods Economist

Dry Goods Economist  
Directories  
The Jewelers' Circular-Keystone  
Distribution & Warehousing\*

239 West 39th Street, New York City

Automobile Trade Journal  
Commercial Car Journal

The Spectator

Chestnut & 56th Sts., Philadelphia, Pa.

The Optical Journal &  
Review of Optometry  
Boot and Shoe Recorder

Automotive Industries  
Chilton Automotive Buyer's Guide

\*Associated Ownership

Toy World & Bicycle World  
742 Market St., San Francisco, Calif.

Where-to-Buy in Chicago  
300 W. Adams St.

Chicago, Ill.

The American Automobile\*  
(Overseas Edition)

El Automóvil Americano\*

Ingeniería Internacional\*

El Farmacéutico\*

330 W. 42nd St., New York City



## Washington Looks at Food and Drugs, NRA, FTC

(Continued from page 131)

food and drug bill as an amendment and so incorporated as a part and integral parcel of any measure to find its way through both Houses and onto the President's desk. But that, of course, is not definite and is not likely to be until something is known about the NRA. And when that? Ah, listen, my children, and you shall hear!

Three suggestions have come forward for the continuation of the NRA. One of these has the approval of the chairman of the National Industrial Recovery Board, Mr. S. Clay Williams.

But the Board itself, and as such, has not made a definite recommendation. It seems possible that the other members, in spite of the slight grating sound caused by occasional bits of internal friction, will fall in line with Mr. Williams for want of a better path.

The plan receiving Mr. Williams' support is simply this: To continue the NRA for another year as it now stands. Only that, and nothing more. But that indicates many things. And they can best be exemplified by the recent hearings on price control features in codes. It seems apparent to the Administration that Business itself is undecided about what to do

with the NRA. Some would like to have this done, others that.

In the price hearings, suggestions came swarming. Price fixing should be scuttled. Price fixing should be made more rigid. Price fixing should be modified. Price fixing should be made absolute. Every possible suggestion had its own little coterie of advocates thronging for its adoption. The result will probably be a closer supervision of the present price policies.

This, apparently, is what Mr. Williams would wish for the whole set-up of the NRA; a closer supervision of the present policies so that at the second session of the present Congress definite recommendations might be made which would hold the support of both business and Administration in a harmonious whole.

At the present time neither business nor the Administration can agree with itself, even on just what should be done with the NRA, let alone seeing eye to spectacle with each other.

Another suggestion which has come to the fore for prolongation of the NRA is one to make an organization, permanent in structure, which would have control over maximum hours and minimum wages and the prohibition of child labor under simplified codes. While this may come at the second session of the present Congress, it does not appear to the general Washington opinion to be on the calendar for this session.

Nor does the third proposal. This would modify the existing law to some degree and extend it for a longer period of time, some two, three, or four years.

### FTC to Replace NRA?

What seems probable at this writing is the preference of Mr. Williams. But this, too, has some chance of eating crow. The nation's coordinator, Donald Richberg, has yet to give it his approval. And, while this approval does not appear to be unlikely, neither is it certain. Mr. Richberg has been going from department to department asking for NRA ideas and getting them. What he may concoct from the mass of material given him is, of course, open to speculation—as is everything Mr. Richberg does. But there is nothing on the horizon so far which would indicate that Mr. Richberg looks with disfavor on Mr. Williams' suggestion.

Meanwhile, several Senators have ideas. Mr. Borah, the golden voice from Idaho, and Mr. Wheeler, whose Montana tongue has flayed copper interests and warbled of silver in almost



## The Plowed Field Pays

Until editorial keenness in a magazine plows through reader apathy, advertising pages scatter the seed of business profits on hard ground. Shrewd advertisers, recognizing editorial leadership, made 1934 a banner year for Mill & Factory. The plowed field pays!

## MILL & FACTORY

A CONOVER-MAST PUBLICATION

205 E. 42nd St., New York City . . . 333 N. Michigan Ave., Chicago



*In March* — a  
special issue devoted to

# KITCHEN APPEAL

The March issue of PREMIUM PRACTICE will analyze the importance of premiums for the housewife, to lighten the duties in her workshop—the Kitchen.

It will disclose that the Kitchen is the one room in the home common to all women, irrespective of station in life—that the appeal of Kitchen Aids reaches them all.

What women use in their Kitchens—articles that have won premium victories—how they were “put over”—the types of sales problems their use has solved—all these and added features will be discussed in the trying light of actual experience.

Like the February issue, this one will be profusely illustrated, showing the wealth of items that rank high in their appeal to housewives.

Watch for this MARCH issue of PREMIUM PRACTICE. It will solve your sales problems if you are trying to reach the American housewife. Side by side you will see the articles that win the housewife's patronage and the ways these articles are used in actual premium practice. It will be a text book on this important phase of premium use. It should be a part of your permanent sales promotion files.

Reserve your copy NOW—30 cents each.

## PREMIUM PRACTICE

*(Founded 1905 as Novelty News)*

420 Lexington Avenue

New York, N. Y.



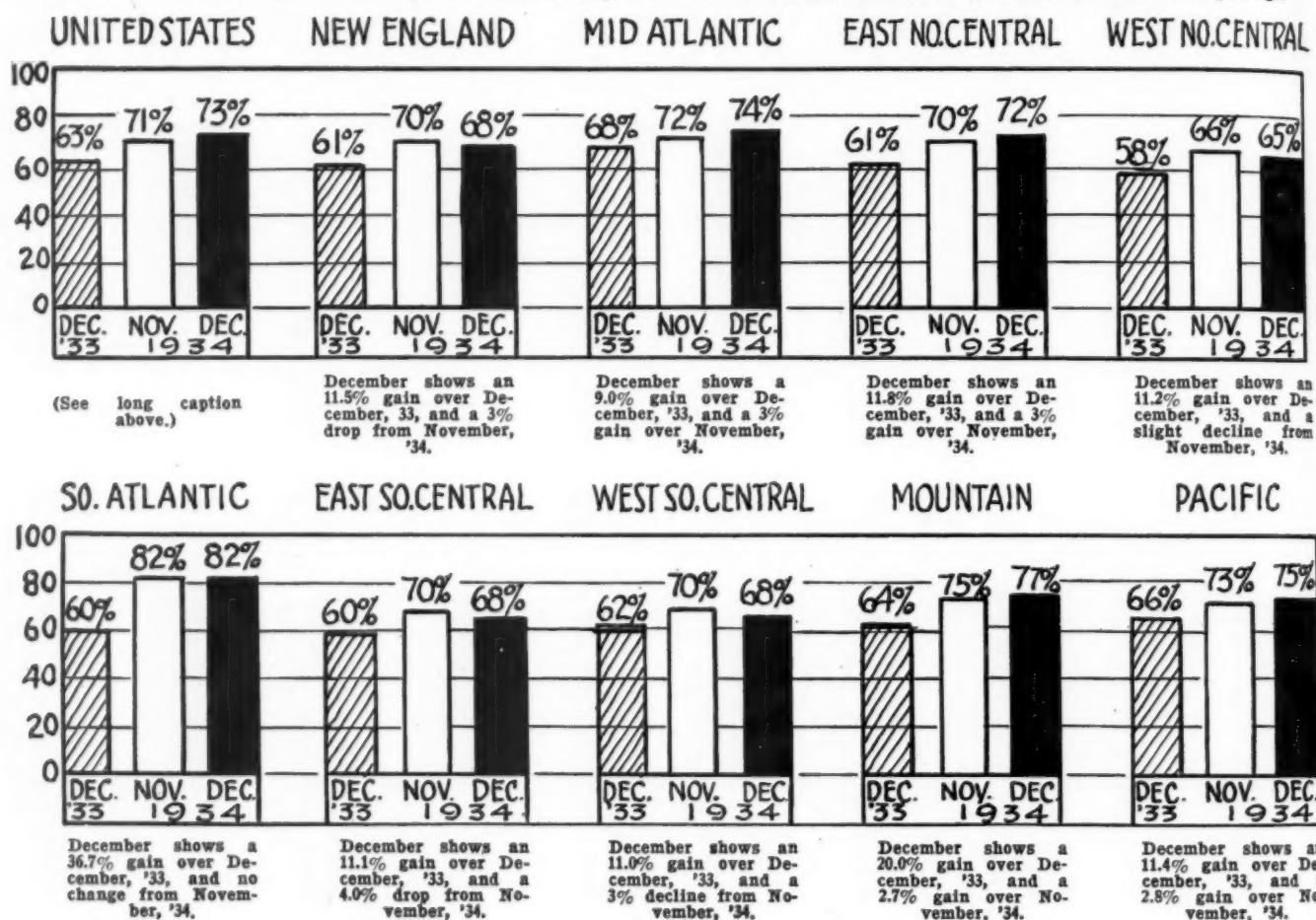
# Sales Management's Sectional Index of General Business

(By Geographical Census Divisions. Monthly Average 1923-25 = 100)

BY RAY B. PRESCOTT

(The state of business expressed in terms of percentage approach toward the "normal" average of the years 1923-1925. The horizontal bar represents normal. The designation of districts follows the standard breakdown used by the Bureau of Census. The index numbers used, as determined by Ray B. Prescott, are a weighted composite of bank debits and retail sales.)

UNITED STATES: The country as a whole finished the year 11.6% ahead of December, '33. It also showed a small gain of 2.7% over November, '34. Four sections made small gains during December while three showed small declines. The South Atlantic remained the same. The East South Central registered an 8.0% drop from November but still remained 11.0% ahead of December of a year ago.



the same breath, have both introduced measures which would, in effect and if passed, quite completely nullify the NRA.

The Borah Bill (S. 579) provides for the licensing by the Federal Trade Commission of corporations engaged in interstate or foreign commerce. It requires annual reports to the Commission by each corporation licensed, and the Commission is authorized to provide examinations. It may make investigations, cause injunctions to be issued, and prosecute offenses in violation to its orders. Yet the licensee is also protected, for he has the right of a court review of the orders promulgated by the Commission.

The Wheeler Bill (S. 944), is in 16 lines only, in contrast to the 332 necessary to state the provisions of the

Borah measure, and amends the Federal Trade Commission Act by stating simply: "The Commission is empowered and directed to prevent persons, partnerships or corporations, except banks and common carriers subject to the Acts to regulate commerce, from using unfair methods of competition in or affecting commerce and unfair or deceptive acts and practices in or affecting commerce."

There is a possibility that one of these measures might—in a desperation similar to that which saw the passage of the Labor Relations Board Resolution during the closing hours of the last Congress—find itself elevated to the heights of a public law. If so, it would chant a clarion call of hail and farewell to the National Industrial Recovery Act ("NRA was the greatest

social and economic experiment of our age," General Hugh S. Johnson) and so intone its last litany. Amens, both sorrowful and relieved.

Other proposals are being bruited for the FTC. Among these is a suggestion to extend the powers of the commission to include that of pre-interpretation.

At the present time the Commission has power to say that a thing is wrong only after it has been done. The new proposal would enable it to pass judgment on a matter not yet executed and so save not only itself a lot of trouble with hearings and investigations, but also the private business man the expenses of carrying out a new idea only to find that the Commission considers it subversive to fair business competition.



## SM Finds Hotpoint's New Show Hot Stuff

(Continued from page 135)

"Calrod Can Take It." Films show how the Calrod heating unit is manufactured and tested. Mr. Sharp used Calrod and open units in his tests. He heated Calrod, immersed it in cold water, heated it again, cooled it again, bent, twisted and hammered it, and it still worked.

Clint Brown, one of the promotion-advertising men, came in dressed like an undertaker. Clint, whom your author has known since he was a pup, chose as his subject, "Dead Men Smell No Sales." He laid it on pretty hearty. There's a kick in seeing a grown-up copy cub razz deceased salesmen.

W. A. Grove, advertising manager, then swung into action. His stuff was labeled, "We Tell 'Em—You Sell 'Em." Remember, you tipped me off you'd known Grove for yars and yars and you called him "Art" and he called you "Ray."

Well, I thought maybe I could sorta get to him so I diplomatically (I'm strong on diplomatics) mentioned to him you'd said some nice things about him and the old days.

"Just nice things?" he asked. "Then I'll stick to nice things, too." I wonder what he meant.

### A Family in Hot Water

Miss Jeanne Crouse appeared as a lady having trouble with her old range. Then she saw something about the new electric range in a magazine. Then she saw a billboard (riding downtown on a bus) telling about the electric range. She dramatized this with a bus seat on the stage. Then she picked up a newspaper and read an advertisement about an electric range. Then she saw an electric range display in a window. Then she went in to see the range.

A salesman wheedled her name and address out of her. (I didn't blame him a bit.) Next he called on her. (I'd have done it, too, gimme the chance.) But he was after the sale and he got it.

After that there is a little riot of fun entitled, "Parlor, Bedroom, Bath and Basement." It has to do with a family and its troubles over hot water.

All through the show, between stunts, the voice of Harlow Wilcox, popular radio announcer, is heard as "The Voice of Calrod." The show is so arranged that, with the help of the canned pictures, the canned voice and the canned music, three people can take it out on the road.

Local utilities executives, of course, help a bit, but their parts are all worked out, too. An electrically cooked luncheon is served at noon and in mid-afternoon, about the time for the seventh-inning stretch, "tea" is served. The tea was coffee, fruit juices and very tasty cookies.

The eleven duplicate shows are now going out on the road. They'll be busy at various sales centers until April. It's just about the sellingest plan your news scout ever did see.

This Hotpoint outfit is opening up one of its plants, closed for the last two or three years. They're going back into the national magazines with a good, stiff advertising campaign.

Hotpoint electric cooking advertising has been absent since 1932. Its re-

turn indicates faith in 1935 business.

Hotpoint is using "everything" this year in sales promotion. Magazines, trade papers, billboards, windows, and for salesmen a very elaborate "tool kit." Direct-mail is a feature. Photographs of local installations, and local testimonials, are employed in the kits.

If you want the whole story write your friend "Art" for the script. But if you got it you couldn't print the motion pictures anyway. If you want to get the whole of the low down on it the only way I can figure out is for you to sit in on the show in some of the 300 spots where it's coming.

It's a pippin for anyone who wants to learn how to sell.

Sincerely, LES.

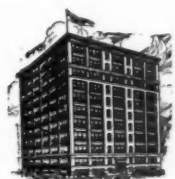
## Printing

Catalogues • Publications • General Printing  
Direct Mail Advertising

ARTISTS - COPYWRITERS - ENGRAVERS - ELECTROTYPERS  
PLANNING - PHOTOGRAPHING

DEPENDABLE PRINTING

Business Methods and Financial Responsibility the Highest. Inquire of Credit Agency, Dun & Bradstreet, Inc., and First National Bank, Chicago, Illinois



A LARGE, EFFICIENT AND COMPLETELY EQUIPPED PRINTING PLANT

DAY and NIGHT  
OPERATION

Printing and  
Advertising  
Counsellors

### OUR SERVICES

#### TYPESETTING

(Linotype, Monotype and Hand)

#### PRESSWORK

(The Usual as well as Colors)

#### BINDING

(The Usual, Machine Gathering, Covering and Wireless Binding)

#### MAILING

(This Dept. is equipped to deliver to the post office or customers as fast as printed and bound)

#### ELECTROTYPING AND ENGRAVING

(Our facilities are up-to-date and can take care of any sized orders)

#### ADVERTISING SERVICE

(Planning, copywriting, designing, photographing and artwork)

### OUR SPECIALTIES

Catalogues  
Booklets  
Publications  
Trade Papers  
Magazines  
House Organs  
Price Lists  
Pamphlets  
Proceedings  
Directories  
Histories  
Books  
Broadside  
Folders  
Circulars  
and  
General Printing

#### PROPER QUALITY

Because of up-to-date equipment and best workmen

#### QUICK DELIVERY

Because of automatic machinery. Day and night service

#### RIGHT PRICE

Because of superior facilities and efficient management

TO OUR PROSPECTIVE CUSTOMERS—Our growing business which comes from all parts of the United States is because of satisfied customers. For your investigation further we will be pleased to furnish the names of well known firms who are our present customers. Consulting with us about your printing problems and asking for estimates does not place you under any obligation whatever.

Secure our proposal on your printing • Large and small orders solicited • Proposals made on all or any part of our services

## PRINTING PRODUCTS CORPORATION

Telephone Wabash 3380  
All Departments

Established 1888

Polk and La Salle Streets  
Chicago, Illinois

#### EXECUTIVES:

Luther C. Rogers, Chairman  
Board Directors  
A. R. Schulz, President and  
General Manager

J. W. Hutchinson, Vice Pres.  
and Sales Director

H. J. Whitcomb, Vice  
President  
W. E. Freeland, Secretary  
and Treasurer



# Media and Agencies

## "March of Time"

Let *Time's* Publisher Luce protest that "The March of Time," which appears nationally in film form today, is not promotion for *Time* magazine. Let President Larsen of the March of Time, Inc., erstwhile circulation chief of *Time* magazine, point out that the 20-minute picture is being sold to exhibitors (at a nice figure) on its own entertainment value; that unless it pays for itself, it will be discontinued. The weekly newsreel remains "promotion" for *Time*. The form and reportorial approach being what they are, even if the name were something else, *Time* would still reap benefit from it.



Roy E. Larsen

Exclusive franchises for showing the picture have been signed with several hundred theatres. How many hundred is not precisely known. On the single day before this was written 175 were signed. The potent Loew group was the first in the fold.

In eleven years circulation of *Time* has grown from 25,000 to 500,000. Publisher Luce estimates total readership, as a result of exhaustive surveys, at 1,548,500. In five years circulation of *Fortune* has grown to 100,000 with total readership figured at 1,000,000. In a bit more than five years, "The March of Time" on the air is said to have won a group of 32,670,000 listeners.

If *Time* fails to add a million more readers, in time, from "The March of Time" on the screen, and a bit more prestige and advertising volume, Larsen himself will be surprised.

John S. Martin, managing editor of *Time*, is vice-president and editor of The March of Time, Inc. Larsen and Martin were among the original group of five young men who gave birth to a 32-page news magazine on March 3, 1923. Briton Hadden and Henry R. Luce were co-publishers. (They alternated as editor and manager, each year up to Hadden's death, in 1929.) Larsen handled circulation; Robert L. Johnson, ad-

vertising. (Johnson is now on leave of absence, as relief administrator in Pennsylvania.) Martin was the magazine's first writer.

The radio (now sponsored by Remington Rand, Inc.), and movie children may have outgrown the parent in number of people attracted weekly, but the parent is doing pretty well on its own.

The picture is being promoted in a nation-wide newspaper campaign, through Batten, Barton, Durstine & Osborn, who have produced the radio "March of Time." Theatres have been given detailed instructions on how to build up the premiere. Newspaper advertising starting with teasers, ten days in advance; the showing of a trailer; direct-mail announcements have been suggested and provided. Branch offices of Remington Rand are cooperating. Western Union (whose boys delivered a lot of "first copies" of *Time* as a result of listener response to the broadcasts) is running a display about "The March of Time" in thousands of its offices.

## Ewald in Washington

Henry T. Ewald has decided, presumably because of the commercial influence of the New Deal, that Campbell-Ewald Company should have an office in Washington. His agency has opened one there, in the Transportation Building. Robert C. Diserens, vice-president, will be in charge.

The Campbell-Ewald action in this direction brings this agency to attention for the second or third time in a month. The first two times, both due to the same point of view, were the establishment of largely autonomous agencies to replace branches in New York and Toronto.

The opening in Washington makes Campbell-Ewald the first of the large national agencies to have an office there. (It is an office and not an agency.) It also gives Campbell-Ewald direct representation in a seventh United States city. N. W. Ayer & Son, Batten, Barton, Durstine & Osborn, Erwin, Wasey & Company, and J. Walter Thompson Company, for example, each have offices in six cities. Lord & Thomas is in four; McCann-Erickson, Inc., in nine.

Perhaps others will be opening soon in the city which Mr. Ewald describes as "a pulsing, motivating center of influence, vastly important to the industry, finance and commerce of the country."

## Honored by Branham

Mike Hughes, in his New York *Sun* column, reviews the twentieth edition of the "telephone chart" issued each year by the Branham Company, publishers' representatives. The chart gives names, addresses and telephone numbers of agencies, publications, representatives, and the like. He points out that for some obscure reason SALES MANAGEMENT and *Tide* are the only sales and advertising publications listed as MAGAZINES, while *Advertising Age*, *Advertising and Selling*, *Editor and Publisher* and *Printers' Ink* have to struggle under the handicap of being merely "miscellaneous."

## Mirror Magazine

With the 1,300,000 circulation of the New York *Sunday Mirror* as a nucleus, A. J. Kobler, as president of Sunday Magazines, Inc., 572 Madison Avenue, is preparing to distribute the magazine section of the *Mirror* to Sunday newspapers nationally. The 17 Hearst Sunday papers, already distributing the *American Weekly*, are, of course, not included in the program. Also unavailable are the twenty Sunday and one Saturday afternoon paper which, beginning February 24, will distribute *This Week*, a magazine published by United Newspapers Magazine Corporation, New York.



A. J. Kobler

Mr. Kobler has had to look elsewhere. Several papers and several advertisers, he reports, are already in the fold. "Syndication" probably will start in March. "Several million" circulation is assured.

The magazine will continue to be a tabloid in color-gravure, with Jack

Lait as editor.

Mr. Kobler continues as publisher of the *Daily Mirror*, but is concentrating primarily on the new project at this time. For twelve years he was head of the *American Weekly*.

## Clark-Hooper Report

First findings in that much-discussed "coincidental" telephone interview study made by Clark-Hooper, Inc., New York, for 25 clients, have just been released. They covered 200,000 interviews made between 7 and 10 p. m., EST, in "radio homes" in 21 cities throughout the country in the first four weeks of the study.

For purposes of the study a "radio home" is "a telephone subscriber owning a radio." No information is revealed on the estimated 6,000,000 to 8,000,000 families who may have radios but cannot be reached by telephone."

Questions being asked are:

1. Were you listening to the radio just now?
2. To what program were you listening?
3. What advertiser put on that program?

4. What product is advertised? (Asked where question 3 fails to elicit answer.)

"Percentage of telephone subscribers, who are not at home during these hours," it was explained, "varies from hour to hour and from evening to evening, but within the limits of 13 to 28%."

"The period with the largest percentage of sets in operation shows 45% (when averaged for time zones and weighted for percentage of total sets in each time zone). The average of all was 36.5%."

"Of the 'sets in areas,' the largest average percentage found listening to any one program was 29.4%. The smallest was less than 1%. Average of all was 7.3%. Of the 'sets in operation' found to be listening, the largest was 66%, the small-

SALES MANAGEMENT



est less than 1%. Average of all was 20%.

"Of the 'sets in areas' identifying sponsor of the broadcast, the largest average percentage was 23.6%, the smallest less than 1%, the average of all 5.2%. Of the 'sets in operation,' the largest was 53%. The smallest was less than 1%. The average of all was 14.4%.

"The average talent cost per program," it was said, "is approximately 31% of the total cost. When the time and talent costs are combined and the 'cost per thousand sets identifying sponsor' is estimated, the lowest cost shown is \$1.36 and the highest \$62.67. The average is \$16.22."

### Daily's New Agency

Walter J. Daily, for eight years in charge of advertising and sales promotion for General Electric Company's specialty appliance sales department, has resigned to head a new advertising agency to be known as Walter Daily, Inc., with headquarters in Cleveland. Before going with GE he spent four years with a New York agency, then three years with the late Tom Logan. His most spectacular publicity stunt with GE was the General Electric Kitchen which toured the country two years ago with the "42nd Street" special train which advertised the smash Warner picture of that name.



Walter J. Daily

### Agency Promotions

With advertising showing growing pains, agencies are increasing their staffs and promoting old employees. . . . J. F. Kircher and W. E. La Driere have been made vp's in the St. Louis office of the Gardner Advertising Company. . . . W. W. Lewis, formerly director of the advertising section of General Motors, is now vp and general manager of the Campbell-Ewald Company. . . . New vp's of BBDO are Stanley P. Irvin, Harold C. McNulty, and Egbert White.

## The Inside Story!

### WALL STREET FINANCIERS PLAN FASCIST COUP

Several facts are now being published each day in the DAILY WORKER—facts which, in the words of Margaret Young, its Washington correspondent, demonstrate that:

"Leading American business men are backing Fascist organizations, in Europe and Europe's Fascist allies' down troops for years before pulling the 'Huey' in power."

Investigation reveal that Fascist organizations in America are being encouraged and financed by nationally known financial and political figures.

General Smoot's D. Butler's testimony, suggested by the MacCormack-Gibbs Committee investigating un-American activities, is now being published also just what General Butler said outside the Congressional Committee room: the financial groups of Wall Street financiers which played the Congressional Committee's investigation—these and other vital conditions of Wall Street's Fascist plot, uncovered by John L. Spivak, Margaret Young, Sander Giffin, and other prominent newspaper men, are now disclosed.

Step by step, this series shows precisely how close the United States is to conditions leading to pro-Fascist Germany.

[This important series of articles DWP appearing every day in the DAILY WORKER, carried on Friday, January 19, 1935. A limited supply of back numbers still available.]

## DAILY WORKER

50 EAST 13th STREET, NEW YORK, N. Y.  
Telephone: ALgonquin 4-7864-7867

The Daily Worker, the most radical paper in America, uses 3-col. by 10-inch space in the New York Times, the most dignified and one of the most conservative newspapers, to woo the Times' readers.

FEBRUARY 1, 1935

### Columbia Adjusts Rates

CBS announces a new rate card effective February 23, and claims that, despite the increased rates per station and per group, the radio homes added to their coverage are sufficient to reduce the rate (based on 1/2 hour P.M. rate) from 69 cents per 1,000 radio homes in 1930 to 51 cents.

### Radio Daytime Hours

With no current sales problem on popular evening hours, the networks are redoubling their efforts to popularize daytime radio. NBC has started an ambitious and expensive early morning broadcast, with B. A. Rolfe and a 29-piece orchestra on for 45 minutes three times a week.

### Personnel Changes

David Rosenblum has been elected treasurer of NBC to succeed H. K. Norton, now assistant to the president. . . . R. L. Hurst (formerly manager of the BBDO Chicago office) and Louis W. Thomas (formerly with Lord & Thomas) have joined J. Sterling Getchell, Inc. . . . Fred

Fleischmann has joined Badger and Brown & Hersey as a copy and contact man. Byron H. Goodwillie has been appointed Western manager of the national advertising department of Scripps-Howard.

Captain Enoch (Nuck to his friends)

Brown, Jr., has been appointed general manager of the Memphis Commercial Appeal by Colonel James Hammond, president and publisher. Captain Brown began in the newspaper business as circulation manager of the Nashville Tennessean, in 1919, and was quickly promoted to vice-president and advertising manager. In 1927 he came to Memphis as vice-president and advertising director.



Capt. Brown

IT DARES TO BE DIFFERENT



Point of  
Difference No. 9

**DISTRIBUTED  
in More Than 8000 Cities  
in the United States**

The Christian Science Monitor is a daily newspaper—delivered by mail into homes in virtually all parts of the country. It gives to advertisers the advantages of nation-wide or sectional coverage and a unique and effective tie-in with the thousands of local merchants in hundreds of cities who advertise in the same medium.

## THE CHRISTIAN SCIENCE MONITOR

Published by The Christian Science Publishing Society  
Boston, Massachusetts

NEW YORK OFFICE—500 FIFTH AVENUE

Other Branch Offices: Chicago, Detroit, St. Louis,  
Kansas City, San Francisco, Los Angeles, Seattle, Miami,  
London, Paris, Berlin, Geneva, Florence



AN INTERNATIONAL DAILY NEWSPAPER



# Do You Favor Consumer Research?

This is the fourth of a series of subjects studied by the Sales Executives' Club of New York, under the direction of the Forum Committee, headed by Walter Mann, of Walter Mann & Staff, and with the collaboration of the editors of SALES MANAGEMENT. These reports, which usually run from eight to sixteen pages of mimeographed details, are available to participating members of the club and to non-members free of charge in return for their collaboration. To non-participating members, they sell for \$3.50 each, to non-participating non-members, they sell for \$5.00 each.

By special arrangement, SALES MANAGEMENT's sales executive readers are eligible for participation on a non-member basis by application to Walter Mann, c/o this magazine.

BY

WALTER MANN

Walter Mann & Staff, New York

**PROBLEM**—No. 4—One of our members, sales manager for a well-known packaged product, wants to have a survey conducted by an outside research organization to determine consumer attitudes on certain aspects of his present product and package. Is the product going over with the potential consumer public? If not, why not?, etc. His firm agrees that the results would be worth while, but does not favor spending money for an outside organization to conduct such a survey, believing that they can secure the facts through their own salesmen, branch-offices, advertising agency or some publication, with practically no direct money outlay. Our member feels that the results he would get from men now employed by the firm, or from the other sources mentioned, would be governed, to a marked degree, by the opinions of these men. He wants an utterly unbiased picture. Your response to the following questions will help us all in making decisions of policy on this very important subject.

**I**F, instead of a dog biting a man, a man were to bite a dog *that*, according to a famous city editor, *would* be news. Similarly, if a professional research man questions the accuracy of a professionally made survey on the value of research, that, too, should be news!

Our study of the findings on this latest query, made under the auspices of the Sales Executives' Club of New York, indicates that the answers to Question No. 1—"Do you find consumer research of value in your sales or advertising work?"—are individually accurate but collectively not true. They show that consumer research is valued by 14 out of 16 responders, or in a

ratio of 7 favorable to one unfavorable.

Much as research men would like to believe this to be true, and despite a sharp and consistently increased interest in the whole subject of consumer research in the past five years, we believe that this figure is definitely biased. Apparently we received replies only from those favoring consumer research. This fact (if a fact) is in itself contributory evidence on Question No. 6, which asks: "How do surveys conducted by mail compare in effectiveness and in cost per response with surveys conducted by personal interview?" If these *had* been personal interviews the responders would probably not have been more than two or three to one in favor of consumer research, instead of seven to one, as indicated in the responses. Therefore one black mark goes in the book against mail questionnaires.

Fortunately, the rest of the questions pertained to the desirability of various types of consumer research and their possible effects on sales and advertising activities and policies, and other questions which can best be answered by those who are familiar with the subjects. Therefore, the balance of the report can, we believe, be taken at full value.

## Research Valuable If—

Following is the breakdown of responders into groups, i.e.: Group 1—advertising agencies, merchandising organizations, and media. Group 2—manufacturers of consumer-sold products. Group 3—miscellaneous, including technical products. . . .

On Question 1, we find that all 6 responders in Group 1 consider consumer research to be of value to them in their Sales and Advertising work; 5 out of 6 in Group 2 think the same way as do 3 out of 4 in Group 3. A typical qualifying response was: "Yes, consumer research *is* valuable if done by persons of experience and imagination."

One response, however, is unusual enough to warrant full quotation in this article, viz.: "By research we discovered that we were wasting money in advertising to *the wrong class*. We changed our advertising and selling technique, but unfortunately

too late. The firm went into receivership as a result of wrong policies. This is definite proof of the need for surveys—not once in awhile, but constantly, for as times change, so do selling conditions. Sales methods must be pliable and plastic to fit these times. What was a good policy 20 years ago may be ruinous today."

Question No. 2: "Did your department (or allied departments) make any consumer studies in 1934?" If so, describe type and character of survey made, indicating whether done (a) by your own organization, (b) by an advertising agency (c) by an advertising medium, (d) by an outside research organization. Answering the first part of Question No. 2, 10 of our 16 responders *had* made consumer studies in 1934, 4 had not, 2 did not answer.

## Worth the Money?

Interesting, indeed, is the breakdown to the second part of Question No. 2. Surveys done ranged from a study of bathroom product design to a study of the effectiveness of radio programs. Fifteen of the 26 studies had been made by the responders' own organizations, 8 by their agencies, 5 by outside organizations, and 1 by an advertising medium. The average cost of 15 out of 26 surveys made by 10 "yes" responders was \$2,300. Surveys reported on ranged in cost from \$200 to \$12,000. Asked whether these consumer research studies paid out, 17 responded "yes," 2 said "no," and 7 did not answer.

Question No. 3 asked: "Do you know of specific sales or advertising results that came from application of the facts thus secured, either directly or indirectly?" Out of the 26 surveys listed, only 3 were not accounted for. One of the most interesting of these responses, i.e., that of the responder on the bathroom design study, said that a change in the type of product had resulted in a saving of more than \$20,000 on a \$2,000 research investigation, by virtue of not taking the wrong design. A competitor, it is said, took the wrong design and lost his shirt. On the other hand, the product design which was selected by the responder "is rapidly becoming a big success."

Question No. 4: "What kinds of

SALES MANAGEMENT



consumer research have been of value to you?"—showed the following types to have been of value to responders: Product—new uses, 9; consumer wants, 9; product present uses, 8; product markets, 7; product packaging, 7; product performance, 5; consumer receptivity, 4; product areas, 3; containers, 3; product labeling, 2. The following subjects came in for one mention each: Consumer guarantees, product competition and jobber receptivity.

Question No. 5: "Which gives you the most unbiased facts on which to base sales and advertising decisions?"—(a) research done by your own organization, (b) research done by advertising agency, (c) by an advertising medium, (d) by a research organization? Of our 16 responders, 4 felt that research work done by their own organization was the most unbiased; 2 thought advertising agency research was. None mentioned advertising media. Eight favored outside organizations for unbiased research work. Two did not answer.

#### Personal vs. Mail Surveys

Question No. 6: "How do surveys conducted by mail compare in effectiveness and net cost per response with surveys conducted by personal interview?" Of our responders, 11 think that interviews are better than mail questionnaires; 4 did not answer; 1 had no choice. Answering the question "Which costs more?" there seemed to be a serious absence of opinion on this subject, since 7 out of 16 responders did not know. However, 8 said interviews were more costly, whereas 1 said that mail responses were. Apparently, apprehension regarding the high cost of interviewing continues to exist. Our own experience had been that 20% is an excellent return on a mail questionnaire, i.e., 1 out of 5 mailed. If, with the present 3 cent postage rate, the total cost of the questionnaire, envelope, folding, mailing, addressing, etc., is not more than 3 to 4 cents, the total cost is somewhere around 30 to 35 cents per actual response. Since the typical consumer interview can be bought for 35 cents or less, the fact that interviews provide much more complete responses than mail questionnaires do should make personal interviews much more desirable, generally speaking, than the mail questionnaire.

Taking it all in all, it would appear from these responses that consumer research has a provable place in the average manufacturer's sales and advertising budget. Naturally the quality of all research is not of equal value. You get exactly what you pay for.

FEBRUARY 1, 1935

## Mr. and Mrs. Worker's Comfort Featured in Industrial Art Show

This year the Industrial Arts Exposition, sponsored by the National Alliance of Art and Industry, will be held in the Rockefeller Center Forum, New York, April 15 to May 15.

The plan features the welfare of the American worker of modest means. He is the focal point and the exposition is built around his interest in homes, home appliances, transportation, communication and leisure.

This is the second annual show; last year it was principally designed and executed to help the industrial designer. This year the show will be staged by the manufacturers themselves, with Thomas J. Maloney, of the New Jersey Zinc Company, exhibition manager, and Alon Bement of the National Alliance, executive director.

While the exhibit will feature products within the price range of Mr. and Mrs. Average Man, an attempt will be made to educate them on the importance of and appreciation of good design. One of the outstanding exhibits on the main floor will be Frank A. Wright's "Broad Acre City,"

which will show how modern modes of communication are changing the set-up of cities which are not confined within fixed geographical limits, as is Manhattan Island.

The manufacturer's exhibits will be in groupings around modern rooms designed by leading designers.

Among the firms which have already engaged space at the Industrial Arts Exposition, which will occupy all of the 44,000 square feet of Rockefeller Center Forum, are the following:

American Car & Foundry Co., American Cyanamid Co., Bakelite Corp., Breskin & Charlton Publishing Co., Doehler Die Casting Co., General Alloys Co., International Nickel Co., International Silver Co., Raymond Loewy, Montgomery, Ward & Co., National Retail Dry Goods Association, Owens-Illinois Glass Co., Philco Radio Corp., R. C. A.-Victor Corp., Sears, Roebuck & Co., Eugene Shayne, The Shelton Looms, Sherwin-Williams Co., Sight Light Corp., Tennessee Eastman, Toledo Scale Co., Toledo Synthetic Products, Inc., Walter Teague, Underwood & Underwood, Van Doren & Rideout, Western Clock Co. and Ben Nash.

## Want to KNOW SOMETHING about WOMEN?

Women—because of their professional interest in values—make the most profitable audience for an advertiser.

We've proved that conclusively with KSTP in the 9th U. S. RETAIL MARKET where we've built up the largest and most responsive "Women's Audience" during the daytime. Here's just one of the potent findings (others on request) from the recent Ernst & Ernst Survey:

**From NOON to 5 P. M.**

Station B average audience  
32.8% . . . KSTP audience 50.6%  
—about 60% GREATER!

**TO OPEN THE FAMILY PURSE IN THE NORTHWEST  
TALK TO THE "WOMEN'S AUDIENCE" OF KSTP**

**For Northwest Market Facts**

**Just Ask: FORD BILLINGS, General Sales Manager, KSTP, Minneapolis, Minnesota, or our**

**NATIONAL REPRESENTATIVES: In New York, PAUL H. RAYMER CO. . . . in Chicago, Detroit, San Francisco, GREIG, BLAIR & SPIGHT, INC.**

# KSTP

MINNEAPOLIS—ST. PAUL

**DOMINATES THE 9TH U. S. RETAIL MARKET**



# Sales Letters

BY MAXWELL DROKE

## Doubting Thomases Have to Be Shown a Guarantee Isn't Bunk

A few days ago a mail-order house with which I am connected received this letter from a customer:

"It was truly a surprise to find, in opening my morning's mail, your check refunding the purchase price of material which I recently returned to you as not quite satisfactory for my purpose.

"Your generous return of my money has demonstrated the righteousness of your company, and, I thank you for this courteous doing."



Maxwell Droke

The significance of this letter lies in the opening phrase, "It was truly a surprise . . ." Why *should* it be a surprise that a company—any reputable company—fulfills its obligations? This particular house advertises a money-back guarantee. Since it endeavors to give honest value, requests for refund are infrequent. But that is beside the point. In every case, where merchandise is returned for a legitimate reason, a refund check is immediately issued as a matter of course.

Nor is this an unusual case. I am personally acquainted with most of the large mail-order operators of the country, and have had occasion from time to time to delve rather intimately into their records. I have yet to find a single case where there is any hesitation or evasion in the making of refunds. It is not that we are particularly righteous. But anything other than a straightforward policy would be foolish and suicidal for a company that purposes to remain in business.

But the public still refuses to shed its doubts. A man will walk into a strange retail establishment and pay \$25 for an article that happens to strike his fancy, but when it comes to sending a tenth of that sum to a reliable mail-order house, he may hem, haw and hesitate. This condition is the gravest problem that confronts those of us who merchandise by mail. In many cases approval selling is impracticable—the expense of carrying a large number of small accounts is prohibitive. The seller must get cash with order, and where the amount exceeds a dollar or so, the full measure of resourcefulness and ingenuity is required. Selling by mail is not as simple as it looks!

## A "Thank You" Note With the Bill Cements Friendly Spirit

Mr. T. H. Dickson, Jr., of St. Paul, sends me this letter which The Emporium, a local department store, addressed to his mother, at the close of the year. "I only wish," he remarks, "that there were more of these

## Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

human contacts in circulation." And isn't it rather amazing that there aren't?

"Month after month, you receive a statement from us, and as regularly, we receive your remittance to cover. This accomplished, the ethics of business have probably been complied with, but we feel that we must deviate from strict business form long enough to tell you of the gratification that is ours when we review your account.

"It paints a graphic picture of your many visits to our store, and we sincerely hope that we are doing our part in making these visits enjoyable as well as profitable, and that our entire organization radiates the cordial feeling that exists toward you."

## Direct Mail in Simple Garb Ofttimes Outpulls Fancy Stuff

Every once in a while someone bobs up with the question of whether or not our direct mailings should be impressively garbed in fine raiment. I am among those who hold that all persons are favorably impressed by a quality product, regardless of their station in life. They may not appreciate the finer points of a splendid letterhead. But instinctively they feel that it is a thing of worth.

But—and here's the point that many overlook—in some lines of business we do not particularly care about creating an atmosphere of quiet dignity. Many a shrewd mail merchandiser insists on screaming headlines and smashing colors. And he must buy at low cost, for his profits are reckoned in pennies. I have made some rather interesting experiments for certain of these operators, and have reached the very definite conclusion that in many cases it is disastrous for them to attempt to "dress up" their offerings. Occasionally, the homely cheapness of a letter may become a business asset.

Mayhap this is heresy. But I only know what I read in the test records. And they show that overalls are often as useful as a tail coat, white tie and topper.

## Even Worst "Camera Phobias" Should Be Cured by This

Again my hat is off—and if I keep this up I'll be likely to contract pneumonia in this Winter weather—but I must pay my respects to the PhotoReflex Studios, operating through leading department stores. Here's a letter they have been sending to men. I think it is distinctly Grade A:

"We think men don't like to have their pictures taken, because they don't like what

photographers do to them. We think men are a little bit bashful about having their chins pushed around and their cowlicks even ever so delicately commented upon.

"Men who have tried our PhotoReflex system have found out that they practically take their own pictures. Here's how it works:

"You sit down before a set of five mirrors. You survey yourself in profile from one side, then the other. You try out the full face. You move your head, eyes, mouth any way you want to. All this time the operator is well and completely hidden. When you get an expression you like, you say so—and he takes the picture.

"We've seen a lot of cases in which a positive phobia against cameras yielded to produce excellent portraits, full of character and personality.

"We wish you would come in soon and try this new idea. It doesn't require any appointment; it isn't hard to find; express elevators close to our Washington Street door, get off at eighth floor, and there you are.

"For the rest of January—for men only—we are waiving the customary deposit and advance order requirement. Come on up and see!"

## The Post Office Department Gnashes Teeth at "Rivals"

Comes now my most persistent correspondent, the United States Post Office, with a long, chatty letter relating to their pet peeve:

"Information upon which the Post Office Department must take vigorous action discloses that the Federal statutes giving the Department an absolute monopoly of the transportation and delivery of letters by regular trips or at stated intervals over all post routes, are being violated constantly."

This long, breath-consuming sentence means, briefly, that J. Farley & Company is again up in arms. It seems that certain business houses and public utilities continue the practice of delivering statements, etc., by private messenger, instead of dropping them in the mail-box where Uncle Sam can derive some highly desirable revenue. In case you are a bit puzzled by the reference to "post routes," the letter explains:

"Practically all routes of travel are 'post routes,' including all railroads, all letter carrier routes established in any city or town; and all public roads and highways while kept up and maintained as such."

Which seems to pretty well cover the ground.

The letter also touches upon section 947 and 1020 of the Postal Regulations, which provide that private receptacles intended for delivery of mail matter by carriers shall be exclusively so used. We have commented upon this provision from time to time.

So far as I know, the much-talked-of test case in this connection has never been made. But I continue to observe quite a bit of "foreign matter" in the family mail-box.





## The Doctor Looks at Sales Management

<b>Analysis of Blood:</b>	Bloodstream free of impurities (cut-rates, rebates, and other deleterious substances): <i>Renewal</i> of blood supply rapid. During the last six months (period in which subject was under observation) renewal rate was highest in his medical history: 71.68%. <i>Red Corpuscle Count:</i> Analysis of circulation shows number highest since December, 1932. Has fully recovered from effects of malnutrition epidemic of Depression cycle. For details of that plague see "Pernicious Anemia Among Magazines and Their Mortality Rates" in Annals of American Medico-Journalism Vols. 1930-34.
<b>Reflex Action:</b>	Positive. Instant reaction from readers when studying certain articles. Sometimes these knee jerks indicate agreement with articles; again they indicate dispute with points advanced. Prognosis of both reactions: Healthy condition. Flabby muscle response or none at all would call for immediate editorial operation.
<b>Posture:</b>	Good. No editorial curvature toward pet projects or people or away from "dangerous" subjects. No leaning backward in ultra-conservatism, or radical forward slouch.
<b>Weight:</b>	Normal for height. No excess fat in editorial content, but shows tendency to gain in direct ratio to nourishment supplied by advertisers. A paunch of words bulks large and might impress the laity, but all doctors know it slows up a man, robs him of his punch. Weight is all in hard, firm meat.
<b>Height:</b>	Patient is growing rapidly. Chart shows his dollar-advertising stature as follows: Jan. 15 issue up 109% over corresponding 1934 issue. Jan. 1 and 15 issues up 85% over corresponding 1934 issues. Jan. 1 and 15 issues up 96% over corresponding 1933 issues. Month of Dec., 1934, up 45% over corresponding 1933 issues. Month of Nov., 1934, up 61% over corresponding 1933 issues. Last 3 months (Nov.-Dec.-Jan.) up 62.5% over corresponding months of 1933-34. Entire year 1934, up 38% over 1933.
<b>Head Size:</b>	Normal, despite gains in circulation, weight and height. The subject is under the constant care and observation of experienced doctors who neither kid him nor themselves—at least not very much or often. While they know his possibilities of growth and improvement it is doubtful if the subject will ever quite live up to all their hopes and expectations.
<b>Treatment:</b>	Continuation of present regimen heartily recommended.





YOU will enjoy a vacation at the Soreno Hotel, on beautiful Tampa Bay. Convenient to all sport and entertainment. Finest cuisine. Delightful social life. 310 rooms. American plan. Considerate rates. Booklet on request.

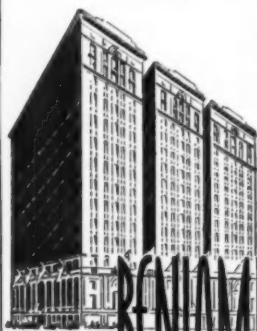
S. LUND and  
SORENO LUND, Jr.  
Managers

**ST. PETERSBURG  
FLORIDA**

*Philadelphia's*  
**MODERN Hotel**

... not only the last word in facilities and appointments, but expressing a luxurious charm that will make your stay delightful. A gracious service thoughtfully anticipates your every comfort and convenience.

And the rates  
begin at \$3.50  
single and  
\$5 double.



**BENJAMIN  
FRANKLIN**  
CHESTNUT at NINTH  
PHILADELPHIA

**Claim New Meinograph  
Color Plate Process  
Cuts Costs by 35%**

Meinograph Process, Inc., Detroit, is now conducting in Chicago a series of demonstrations of a new method of making color plates. Color experts and engravers are showing much interest in the procedure which, it is asserted, reduces cost by 35% or more and at the same time does away with most of the need for fine register.

In ordinary four-color work all four plates carry full photographic details of the subject. In the Meinograph process the detail is carried only on the black plate. Red, yellow and blue plates simply lay on the color with a total absence of lines. As a result, when there is off-register up to an eighth of an inch or more there is little or no feather-edge or "vibratory" visual effect.

It might be said that this new method reverses the conventional practice in color printing. Heretofore, the color plates carried the details while the purpose of the black plate was to intensify areas. Under the new system, the color plates are solely for the conveyance of color, with the black plate carrying all the burden of form, character and detail.

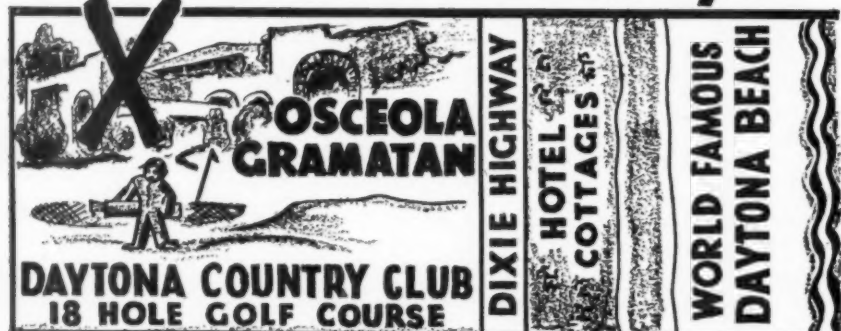
The developers of the new process do not contend that the method will supersede the present four-color system. They do contend that, because of the simplicity of their method, and its low cost, it opens up an entire fresh field for color printing; that it will put color printing within the grasp of a great number of enterprises which, because of costs, have been unable to use it.

In the manufacture of the Meinograph color plates a piece of Cellophane, or some similar substance, is laid over the picture to be reproduced. Colors are applied to the Cellophane, or other film. A white shield is slipped under the film while the color plates are being made to remove the details of the original from the eye of the camera.

After the color plates have been photographed, the colored film is removed and the original picture photographed for the black plate. The process has been patented. Color printers are being licensed to use it.

Jack Thorn, oil broker and storage steel contractor, who disappeared from El Dorado, Arkansas, October 7, 1926, is being paged. A. F. House, of Little Rock, takes a half-page in the *Oil and Gas Journal* to reproduce Mr. Thorn's signature, to give his description and to offer a "reasonable reward" for information leading to his positive identification.

**Marks the ideal Spot**



HERE at the gates to the natural, scenic Florida is the ideal spot for your winter vacation. Surf and sun bathing on the marvelous 25-mile beach ... golf on the crack Daytona Country Club course, adjoining hotel ... riding, fishing, hunting, yachting. Less than one hour by motor to the picturesque "jungle" country.

Finely appointed guest rooms, each with private bath ... tropical fruits from the hotel's citrus grove and gardens. Cottages from \$100 per month by the season. J. E. Rushin, Manager. Call VAn. 3-7200 for attractive rates and full information.

**The OSCEOLA GRAMATAN HOTEL**  
**DAYTONA BEACH, FLORIDA**





Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Surveys for which a charge is made are so indicated. Requests for these, accompanied by the purchase price, should be mailed direct to the publishers.

### T.V.A. Significance Shown by McCall Field Study

Significance of the Tennessee Valley Authority electric program is commented upon at length in an interesting booklet resulting from a first-hand investigation of the development by editors and investigators of *McCall's* magazine. Published in January for electrical merchandise manufacturers and their advertising counselors, the 28-page spiral-bound volume, effectively illustrated, offers food for thought to manufacturers of other products which will be sold and used in this and other areas. The four steps in the program are: Cheap current, lower-priced appliances, sales on easy terms, and education and promotion. Examples of many ways in which the program is working in communities now securing T.V.A. current, with instances of increased use of current and greatly increased sales of appliances, are quoted. Cooperation of T.V.A. and the privately owned Georgia Power Company, the remarkable consumer laboratory made possible in the new town of Norris where all homes are electrified and where records will be kept by the T.V.A. of power consumption and appliance use, and a final section voicing six conclusions as to how this experiment will affect consumers throughout the country make the publication of immediate interest. Write for "*An Unbiased Study*," addressing Donald Parsons, the McCall Company, 230 Park Avenue, New York City.

### A New Slant on Boston

Entree to the Boston market through the medium of car cards, based on the successful experiences of advertisers using this medium exclusively or in combination with other local media, is demonstrated in a new promotion booklet published by the Eastern Advertising Company, titled "*A New Slant on Boston*." Certified circulation, audited by the street railway companies as required by law, is now offered advertisers using this medium. A number of testimonials of advertising successes in the market, including Mueller's

spaghetti, California Walnut Growers, Rem, Del Monte and local department store experience are cited. To an extent greater than in other metropolitan centers, according to this study, the economic and social life of Boston is closely interwoven by one of the finest transportation systems in the world. Worth investigating. Write T. F. Joyce, vice-president, Eastern Advertising Company, 209 Washington Street, Boston; or C. G. Hafley, sales manager, Eastern Advertising Company, 220 West 42nd Street, New York City.

### Detailed Report on Dealer Survey Published by NBC

Publication of the findings of two surveys made for the National Broadcasting Company by the Psychological Corporation on the subject of dealer preference for advertising media was commented on in this column in the issue of January 1. More recently a detailed report of these surveys has been completed and published, titled "*A Study of the Relative Effectiveness of Major Advertising Media*." This contains not only complete analyses of the responses in the three fields—food, drugs and gasoline dealers—but also a description by the Psychological Corporation of the method employed and the factors involved in securing and judging the returns. Subscribers who sent for the first study will no doubt receive from NBC this new and complete report. Others should write for both, addressing W. C. Roux, National Broadcasting Company, Radio City, New York.

### Milwaukee Journal Gives Circulation Analysis of Market

A most interesting and informative market study, based solely on newspaper circulation and its relation to buying power indices, is that just issued by the *Milwaukee Journal* in behalf of its daily and Sunday coverage of the city and state. Unlike many newspaper market studies, it contains no lists of dealers or distributors, no suggestions to advertisers based on peculiarities of local distribution factors, no analysis of retail trade, no comparison

with other markets on that score, no descriptions of the city or its environs. Utilizing only the rather humdrum circulation figures, for the 71 counties and 952 cities and towns in Wisconsin, and 12 counties and 80 cities and towns in Upper Michigan, the study sets out to show coverage—and most effectively accomplishes that result. From this 32-page booklet the advertiser can quickly check his advertising effectiveness throughout the market in question, and can rate the buying power provided by this medium and others in the market in terms of coverage of rental areas, that being the one gauge of income used in the study. Write for "*On the Way—Where and to Whom?*" addressing C. R. Conlee, the *Milwaukee Journal*, Milwaukee, Wisconsin.

### More Farm Market Evidence

Where two years ago a farmer paid 1,455 bushels of wheat for a new Ford car, he now needs only 626 bushels. Or, if he wants a new Maytag washer today, it costs him the equivalent of 117 bushels of corn, where two years ago he had to lay out 712 bushels. These and many similar facts pointing to the revived purchasing power of the farmer, and his actual buying as shown by comparisons of department store vs. rural sales, are brought out in a brief titled, "*Why the Farm Market Offers the Best Sales Opportunity for 1935*." SALES MANAGEMENT subscribers, familiar with the recent analysis of this magazine on the subject of increased business in farm markets, will find this brief valuable for its additional information, based on studies of the Meredith Publishing Company, publishers of *Successful Farming*. Write E. F. Corbin, sales director, Meredith Publishing Co., Des Moines, Iowa.

### IN BALTIMORE

**76** National Advertisers

Use Our Window, Interior, Counter  
**DISPLAY INSTALLATIONS**  
**MARGOLIS** Display Service

26 S. Charles Street

Baltimore, Md.

### Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.  
Cash Basis Only. Remittance Must Accompany Order.

#### EXECUTIVES WANTED

**SALARIED POSITIONS \$2,500 to \$26,000.** This thoroughly organized advertising service of 25 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

#### POSITION WANTED

**PAPERS AND SPEECHES** written on credits, credit analysis, financial statements and analysis and business topics, by successful business executive. Also advice on credit problems. All transactions treated strictly confidential. References furnished to interested parties. Address Business Adviser, Box 424, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

Being **NEITHER YOUNG NOR BEAUTIFUL**, I concentrate on being useful (vide Ben Franklin). Have been a trade paper editor for years, and now a free lance in search of work. Can write forceful and lucid English. Will prepare folders, booklets, catalogs, sales literature, at modest prices. Am competent and dependable. Can cover all details. Inquiries imply no obligation whatever. Frank W. Kirk, Room 1632, 333 N. Michigan Ave., Chicago. Phone: State 1266.

### PHOTOSTATS

**COMMERCE PHOTO-PRINT CORPORATION**

1 WALL STREET

233 Broadway 56 Pine St.  
80 Maiden Lane 33 W. 42nd St.  
Dlby 4-9135-6-7-8

FEBRUARY 1, 1935

TORONTO  
MONTREAL  
WINNIPEG  
LONDON, Eng.

**GIBBONS KNOWS CANADA**

REGINA  
CALGARY  
EDMONTON  
VANCOUVER

[171]



# C o m m e n t

**OUTWITTING THE HORSE TRADERS:** We have been watching, with a high degree of interest, an experiment under way in an industry that, in times past, has had its full share of price-cutting troubles. . . . This experiment, we might say parenthetically, is one which emerged out of the NRA. It—and other sound developments of its kind—explains our continued belief that there are many values tangled up in the whole complicated machinery of the Recovery Act which are too real and too tangible and too important to be tossed aside because other phases of the movement have turned out to be unworkable. . . . But about the experiment: This industry, like dozens of others, has suffered from foolish, irrational and predatory price-cutting mostly because of a lack of accurate facts about the volume of business being done by the industry as a whole. Everybody in the industry mistrusted everybody else, and this unhealthy mania was nourished by sharp buyers who played one salesman against another. Prices were always being depressed, and it took nothing more than the thinnest figment of a rumor to give the whole industry the price jitters. . . . Then somebody got sensible. The industry had been forced into some semblance of cooperation through the necessity for working out a code and getting it through the legal labyrinth at Washington. The industry adopted a version of the open-price agreement, through which every manufacturer in the group reported (with copies of bills) to a central office, the business taken each working day, with the prices at which it was taken. Each morning each participant gets a summary of the total business done the day before, and he can immediately figure what percentage of it was done by his organization. . . . Now, if the market is "off" for a week, everybody knows the drop in business is general. Heretofore, if one company's sales slumped for a solid week, the president got panicky, wired his salesmen to get out and do something and to cut the price half a cent or more if necessary. News of that price cut usually traveled like light, and before noon a general price war was under way. . . . Now, if a buyer attempts to claim that a competitor delivered a stock at a price much below the established market range, any manufacturer can ask the central office to check back to get the exact truth of the claim. . . . It will be extremely interesting to see what this group thinks of this plan when it has had the chance to work for another eight or ten months. Short-sighted individuals in it, still steeped in the skepticism and suspicion of years of horse-trading, now and then show a tendency to kick over the traces. But this industry is well manned at the central office, and our guess is that perhaps millions

of dollars will be saved by common-sense cooperation of this kind during the first full year of the plan's operation. . . . The term "industry cooperation" is spoken of so frequently in connection with discussions of price-fixing that such valuable lines of activity as the pooling of industry facts get far too scanty consideration. Certainly the instance we have mentioned is one striking example of the way an industrial group can intelligently go about the business of raising its efficiency in marketing, and, by sheer common sense, can protect itself against unscrupulous buyers whose years of practice have made them adept at the fostering of price wars. The only catch is that, in most industries at least, men haven't learned even the rudiments of working together like good sports and sane business men.

**HARRIMAN IS RIGHT:** Henry I. Harriman, president of the United States Chamber of Commerce, addressed a meeting of the Pittsburgh Chamber last week and declared himself unequivocally an optimist for 1935. He pointed to a 15% increase in retail sales last year; a rise of one and one-half billions in farm income; the fact that the motor industry expects its biggest year since 1930; the plans of the United States Steel Corporation to spend \$45,000,000 on plant improvement, as a few of the reasons for his optimism. He says, "It has been the history of depression that there are about three years of liquidation and deflation and then a period when business staggers along with consumers' goods increasing, after which comes a real upturn and better times are unmistakable. We are just now entering upon the era of better times." . . . We agree with Mr. Harriman. The signs unmistakably point to better business. We are inclined to go just a step further than Mr. Harriman, however, and advance the opinion that business should be and can be much, much better if company heads and their salesmen adopt a more aggressive tone of confidence and cease and desist from defeatist talk. This doesn't mean that they must necessarily approve of everything that Washington is doing. As Mr. Harriman pointed out, better times are coming, either because of or in spite of what the Administration is doing. In other words, take your choice—and it doesn't make any great difference. . . . Confidence, as shown by larger and better trained sales staffs, larger and better planned advertising campaigns, will bring back bigger rewards in 1935 unless all signs are wrong.

Ray Bill